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Calendar No. 157

101st Congress
1st Session

SENATE

Report
101-80

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1989

July 18 (legislative day, January 3), 1989.—Ordered to be printed

Mr. Pell, from the Committee on Foreign Relations,
submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany S. 1347]

The Committee on Foreign Relations, having had under consideration an original bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and related statutory provisions, to authorize development and security assistance programs for fiscal year 1990, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Summary of Major Provisions

TITLE I—MILITARY SALES FINANCING

Accepts the administration's proposal to create a single all grant foreign military sales financing program under the Arms Export Control Act.

Authorizes $4,819,318,000 in all forgiven credits for fiscal year 1990, $120 million over the current amount of military assistance and $208 million less than the Administration's request.

Earmarks for the following countries:

Israel—$1.8 billion; up to $150 million for research and development in the U.S. and not less than $400 million for procurement in Israel of defense articles and services;

Egypt—$1.3 billion;

Greece—$350 million;

S383-3.

Turkey—not to exceed $500 million;
Portugal—$125 million;
Philippines—$200 million;
El Salvador—not to exceed $90 million; and
Dominican Republic—$2 million.

NOTE.—Other titles of the fill contain the following additional foreign military sales financing earmarks:

Guatemala—not to exceed $9 million;
Zaire—not to exceed $3 million; and
Malawi—$10 million.

Authorizes $40,432,000 for the military assistance program (MAP) for fiscal year 1990, to allow for necessary administrative costs. The authorization level is identical to the Administration's request.

Amends the Arms Export Control Act to expand existing law's requirements with respect to third-country transfers to include items sold commercially, thus ensuring that the law applies to such joint development and joint production arrangements as the FS-X.

Includes the Administration's Fair Pricing Initiative.

Makes permanent the existing excess defense articles authority for NATO's Southern Flank, requiring proportionality between Greece and Turkey.

Authorizes $54,500,000 for IMET for fiscal year 1990, the same amount as the Administration's request, and $1.7 million over the current funding level.

Authorizes $9,870,000 for Antiterrorism Assistance Program for fiscal year 1990, the same amount as the current level of spending, and $177,000 less than the administration's request, and expands the current authority under this program to include certain kinds of training outside the United States and to allow employees of the Bureau of Diplomatic Security to provide certain training to law enforcement personnel.

Authorizes $33,377,000 for Peacekeeping Operations for fiscal year 1990, the same amount as the Administration's request, and $1.7 million over the current level of funding.

TITLE II—ECONOMIC SUPPORT FUND

Authorizes $3.361 billion for fiscal year 1990, $102.6 million over the current level of funding, and $30 million over the Administration's request. The increase over the Administration's request is primarily devoted to a $25 million initiative for a new Central American Recovery and Development program, under the auspices of UNDP.

Earmarks for the following countries:

$1.2 billion for Israel on a cash transfer basis;

$815 million for Egypt, $115 million of which may be provides as a cash transfer conditioned on economic reforms;

$7 million for regional cooperative programs in the Middle East;

$15 million for Cyprus;

$50 million for Portugal;

$20 million for the International Fund for Ireland;

$440 million for the Central American Democracies, with a floor of $90 million for Costa Rica; and

$87,750,000 for sub-Saharan Africa.

NOTE.—Another title of the bill contains the following additional Economic Support Fund earmarks:

$25 million for the Central American Recovery and Development Program; and

$500,000 for the Central America Development Coordination Commission.

Adds a new section applying the requirements which currently apply to commodity import programs financed with ESF to cash transfer assistance under ESF.

TITLE III—DEVELOPMENT ASSISTANCE

Reauthorizes all existing functional development accounts, in general with a 2-percent increase of funding. Creates a new functional account for International AIDS Prevention and Control.

Authorizes $508.6 million for Agriculture for fiscal year 1990, $14.9 million over the current funding level, and $30.8 over the administration's request.

Authorizes $72.2 million for the Child Survival Fund for fiscal year 1990, $1.2 million over the current funding level and the Administration's request.

Authorizes $201.9 million for Population Programs for fiscal year 1990, $3.9 million over the current funding level, and $229,000 over the Administration's request.

Incorporates two population policy provisions, the Kassebaum amendment reversing the Mexico City policy, and the Helms amendment ensuring that population assistance generally, and any particular program of population planning, is not forced on any government or grant recipient.

Authorizes $42 million for AIDS prevention and control for fiscal year 1990, not less than $25.5 million of which is to be provided directly to the WHO. The overall authorization is the same as the Administration's request, and $2 million over the current level of funding.

Authorizes $132.1 million for Education and Human Resources Development for fiscal year 1990, $2.6 milllion over the current level of funding and $6.9 million less than the Administration's request.

Includes the Global Basic Education enhancement provision adopted by the Committee two years ago, which earmarks 30 percent of the funds in this functional account for programs aimed at reducing illiteracy and extending basic education.

Authorizes $132.1 million for Private Sector, Energy, and PVOs for fiscal year 1990, an increase of $2.8 million over the current level of funding, and $5.5 million less than the Administration's request.

Incorporates provisions designed to strengthen the partnership betweed A.I.D. and PVO's, setting a floor of 15 percent of DA and ESF funds for PVO activities, and a target of 25 percent.

Creates two new centers within A.I.D.—One for PVOs and one for university programs.

TITLE IV—OTHER ASSISTANCE PROGRAMS

Authorizes $44 million for American Schools and Hospitals Abroad for fiscal year 1990, an increase of $9 million over the current funding level and $14 million over the administration's request.

Authorizes $257.4 million for voluntary contributions to International Organizations and Programs for fiscal year 1990, $31.3 million above the current level of funding, and $48.4 million above the administration's request.

Earmarks the IO account for the following agencies:

$120 million for UNDP, $9 million over the current level of funding, and $12.2 million over the administration's request;

$60.4 million for UNICEF, the same as the current level of funding and $26.5 million over the administration's request;

$17 million for UNEP, $7.5 million over the current level of funding, and $9 million over the administration's request;

$1 million for UNIFEM, $200,000 over the current level of funding, and $800,000 over the administration's request; and

$16 million for the UN Afghanistan Emergency Trust Fund, the same amount as requested by the administration for this Trust Fund established in June, 1988.

Authorizes $25 million for International Disaster Assistance for fiscal year 1990, the same amount as the current level and the Administration's request.

Authorizes $101 million for International Narcotics Matters for fiscal year 1990, the same amount as current funding levels, and $14 million less than the administration's request.

Authorizes $25 million for the Trade and Development Program for fiscal year 1990, the same amount as currently available and the administration's original request.

Authorizes $435.1 million for operating expenses for A.I.D. for fiscal year 1990, an increase of $17.1 million over the amount currently available, and $12.6 million less than the administration's request. The recommended authorization level is derived from figures provided in A.I.D.'s Congressional Presentation Document necessary to cover changes in the FAAS system required by Congress, the cost of living pay raise, and increased costs in the new Federal retirement systems.

Authorizes $30 million for operating expenses for A.I.D.'s Inspector General for fiscal year 1990, an increase of $1.5 million over the amount currently available, and $1.2 million less than the administration's request.

TITLE V—EAST ASIA AND THE PACIFIC

Authorizes $200 million for the Philippine Multilateral Assistance Initiative for fiscal year 1990, the same amount as the administration request.

TITLE VI—NEAR EAST AND SOUTH ASIA

Sets forth U.S. policy with respect to Pakistan and extends the current national interest waiver authority for Pakistan to September 30, 1994.

Earmarks $80 million of the aggregate DA and ESF accounts for humanitarian assistance to the Afghan people, $10 million over the amount requested by the administration.

TITLE VII—MIDDLE EAST

Sets forth Congressional policy with respect to proliferation of increasingly sophisticated weapons in the Middle East and urges the President to take a variety of steps to reduce such proliferation.

Prohibits the sale of Stinger missiles in the Persian Gulf, with exceptions for Bahrain and Oman, if certain conditions are met.

Qualifies FMS and arms sales to Jordan upon Jordan's commitment to the recognition of Israel and to negotiations with Israel under the basic tenets of U.N. Security Council Resolutions 242 and 338.

Earmarks a total of $7.5 million of DA funds for regional cooperative projects and regional cooperative research projects in the Middle East.

TITLE VIII—AFRICA

Authorizes $565 million for the Development Fund for Africa for fiscal year 1990, earmarking $50 million of that amount for the Southern African Development Coordination Conference (SADCC). The level of authorization is the same as the amount requested by the administration and $15 million above the fiscal year 1989 level of funding.

Authorizes $9 million for the African Development Foundation for fiscal year 1990, the same amount as requested by the administration, and $1 million over the current level of funding.

Prohibits ESF and FMS for Liberia pending a Presidential determination that economic and political reforms have been made. An exemption is made for ESF funds for basic education projects and for assistance to PVOs.

Divides ESF and FMS for Sudan into two tranches and subjects the second tranche to a Presidential determination related to relief efforts, movement away from Libya, and progress toward peace. ESF for disaster and other forms of humanitarian assistance is exempted.

Places a $3 million ceiling on FMS for Zaire.

Expresses the sense of Congress that not less than $3 million of the African Development Fund be provided for Cape Verde.

Earmarks $10 million FMS for Malawi.

TITLE IX—WESTERN HEMISPHERE

Earmarks $25 million of ESF funds over and above the bilateral ESF funds for the four Central American democracies for the U.S. contribution to the multilateral Central American Recovery and Development Program to be administered through UNDP.

Earmarks not less than $500,000 and up to $1 million of ESF funds as the U.S. contribution to implementation of the Central American Donor Coordination Commission (CADCC).

Limits foreign military sales financing to Guatemala to $9 million, in non-lethal aid.

Authorizes flight safety items for Chile.

TITLE X—MULTILATERAL LENDING AND DEVELOPMENT INSTITUTIONS

Authorizes U.S. contributions to the Inter-American Development Bank for fiscal year 1991.

Authorizes appropriations of $150 million for the U.S. contribution to the interest subsidy account of the Enhanced Structural Adjustment Facility (ESAF), as requested by the administration.

TITLE XI—PEACE CORPS

Authorizes $172.8 million for the Peace Corps for fiscal year 1990, $19.3 million over the current funding level, and the $9.2 million over the administration's request.

TITLE XII—MISCELLANEOUS

Terminates assistance under this Act, the Foreign Assistance Act, and the Arms Export Control Act to any country if the democratically elected head of government of any such country is overthrown by military coup or decree or by Communist insurgency. An exception is provided for the continuation of humanitarian assistance and disaster assistance. Funding may be resumed only if the President reports to Congress that a new democratically elected government has taken office.

Incorporates authorization of the Senate Caucus on International Narcotics Control.

Expands the list of Communist countries to which assistance is prohibited to include Afghanistan, Laos, and Cambodia, and specifies that when the President acts to remove a country from the list, that removal shall be for a period not to exceed 1 year.

Authorizes up to $10 million of ESF funds to establish a "Desalination and Fresh Water Fund."

TITLE XIII—INDEX OF ECONOMIC FREEDOM ACT OF 1989

TITLE XIV—REPEALS AND EFFECTIVE DATE

Repeals obsolete provisions in current law that have been fulfilled, have expired, or are no longer applicable.

FOREIGN ASSISTANCE AUTHORITY

[In thousands of dollars]

	Fiscal year 1990 authorization request	Fiscal year 1989 appropriation enacted	Fiscal year 1990 SFRC recommendation	Fiscal year 1990 recommendation versus fiscal year 1989 enacted appropriation
Bilateral Assistance:				
Agriculture, Rural Development and Nutrition	477,760	493,715	508,589	+14,874
Population Planning	201,600	197,940	201,899	+3,959
Health	125,994	122,459	124,908	+2,449
Child Survival Fund	71,000	71,000	72,225	+1,225
AIDS Prevention & Control	42,000	40,000	42,000	+2,000
Education & Human Resources Development	139,000	129,541	132,132	+2,591
Private Sector, Energy & PVOs	137,646	129,371	132,123	+2,752
Subtotal Functional Accounts	1,195,000	1,184,026	1,204,876	+29,850
Development Fund for Africa	565,000	500,000	565,000	+65,000
SADCC		50,000	[50,000]	

FOREIGN ASSISTANCE AUTHORITY—Continued

[In thousands of dollars]

	Fiscal year 1990 authorization request	Fiscal year 1989 appropriation enacted	Fiscal year 1990 SFRC recommendation	Fiscal year 1990 recommendation versus fiscal year 1989 enacted appropriation
American Schools & Hospitals Abroad	30,000	35,000	44,000	+9,000
International Disaster Assistance	25,000	25,000	25,000	
Humanitarian Relief Transport		3,000		+3,000
A.I.D. Operating Expenses	447,684	418,000	435,100	+17,100
Operating Expenses—Inspector General	31,194	28,500	30,000	+1,500
Subtotal Other Development Assistance	1,098,878	1,059,500	1,099,100	+89,600
Total A.I.D. Development Assistance	2,293,878	2,243,526	2,303,976	+119,450
Economic Support Fund	3,331,100	3,258,500	3,361,100	+102,600
Central American Initiative			[25,000]	+[25,000]
Multiateral Assistance Initiative/Philippines	200,000		200,000	+200,000
Non-A.I.D. Bilateral Assistance:				
Trade & Development	25,000	25,000	25,000	
Peacekeeping Operations	33,377	31,689	33,377	+1,688
International Narcotics Control	115,000	101,000	101,000	
Inter-American Foundation	16,932	16,600	16,932	+332
African Development Foundation	9,000	8,000	9,000	+1,000
Peace Corps	163,614	153,500	172,800	+19,300
Anti-Terrorism Assistance	10,017	9,840	9,840	
Subtotal Non-A.I.D. Bilateral Assistance	372,940	345,629	367,949	+22,320
Military Assistance:				
Military Assistance Program (MAP)	40,432	467,000	40,432	−426,568
International Military Ed. & Training (IMET)	54,500	47,400	54,500	+7,100
Foreign Military Sales (FMS)	5,027,000	4,272,750	[1] 4,819,318	+546,568
Subtotal Military	5,121,932	4,787,150	4,914,250	+127,100
International Organizations & Programs (Voluntary Contributions)	209,000	226,115	257,415	+31,300
Total Foreign Assistance Accounts	11,528,850	10,860,920	11,404,690	+404,770

[1] Reflects combined military programs (FMS + MAP) in fiscal year 1990.

COMMITTEE ACTION

The following bills were referred to the Foreign Relations Committee and some or all of their provisions were consolidated into an original bill.

S. 683, To amend the Peace Corps Act to extend the authorizations of Appropriations for the Peace Corps through fiscal year 1991, to shorten the period during which a former Peace Corps employee is ineligible for reemployment by the Peace Corps, and to establish a Peace Corps foreign exchange fluctuations account, which was introduced by Senators Cranston, Pell, Dodd, DeConcini, and Sanford on March 17, 1989;

S. Con. Res. 20, expressing the grave concern over the rapidly deteriorating condition of ethnic Albanians living in the Socialist Federal Republic of Yugoslavia, which was introduced by Senators Pressler, Helms, and Dole on March 9, 1989;

S. 827, to amend the Foreign Assistance Act of 1961 to authorize a multiyear economic assistance program for the Philippines, and for other purposes, which was introduced by Senator Pell on behalf of the executive branch on April 18, 1989;

S. 873, to promote the integration of women in the development process in developing countries, which was introduced by Senator Mikulski on May 1, 1989;

S. 989, to provide for participation by the United States in a capital increase of the Inter-American Development Bank, and for other purposes, which was introduced by Senator Pell on behalf of the executive branch on May 16, 1989; and

S. 1144, to authorize and direct the United States Executive Director of the International Monetary Fund to promote staffing and policy changes with respect to the management of natural resources, and for other purposes, which was introduced by Senators Kerry and Boschwitz on June 7, 1989.

The Foreign Relations Committee held three hearings on the above legislation and the administration's foreign assistance request:

April 18, 1989—Overview of the administration's fiscal year 1990 foreign assistance request and State Department authorization request (Secretary of State Baker);

May 2, 1989—International security and development assistance (Alan Woods, Administrator of the Agency for International Development; Reginald Bartholomew, Under Secretary of State for Coordinating Security Assistance Programs; and Lt. Gen. Charles Brown, Director of the Defense Security Assistance Agency); and

May 8, 1989—Foreign assistance authorization for fiscal year 1990, focusing on Central American economic assistance, development assistance, Middle East security assistance, and Southeast Mediterranean security assistance (private sector witnesses).

On June 14, June 21, and July 12 the committee met to markup a committee print proposed by Chairman Pell to serve as the markup document.

On July 12, the committee voted 18-0 to report favorably an original bill. Ayes: Senators Pell, Biden, Sarbanes, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, Lugar, Kassebaum, Boschwitz, Pressler, Murkowski, McConnell, Humphrey, and Mack.

During the course of the markup the following record votes were taken:

On June 14, an amendment offered by Senator Helms to lift the $500,000 ceiling on foreign military sales financing available for Turkey contained in the committee print was rejected by a vote of 6-13. Ayes: Senators Helms, Lugar, Boschwitz, Murkowski, McConnel, and Mack. Nays: Senators Pell, Biden, Sarbanes, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, Kassebaum, Pressler, and Humphrey.

On June 14, and amendment offered by Senator Helms to authorize the President to adjust earmarks in the event that countries to which we are providing military aid break their agreements with us or otherwise reduce U.S. military access in those countries was rejected by a vote of 4-10. Ayes: Senators Helms, Lugar, Kassebaum, and McConnell. Nays: Senators Pell, Sarbanes, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, and Pressler.

On June 21, an amendment offered by Senators Simon and Kassebaum as a substitute to title VIII on Africa in the committee print was adopted by a vote of 14-3. This amendment was adopted with the understanding that modification would be made by staff in consultation with the Administration to one of the provisions dealing with the Development Fund for Africa. Ayes: Senators Pell, Biden, Sarbanes, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, Lugar Kassebaum, Boschwitz, and McConnell. Nays: Senators Helms, Murkowski, and Mack.

On June 21, an amendment offered by Senator Helms to the Simon-Kassebaum amendment on Africa to delete the $3,000,000 ceiling on foreign military sales financing for Zaire was rejected by a vote of 7-12. Ayes: Senators Helms, Boschwitz, Pressler, Murkowski, McConnell, Humphrey, and Mack. Nays: Senators Pell, Biden Sarbanes, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, Lugar, and Kassebaum.

On July 12, an amendment offered by Senator Helms to strike the $85,000,000 ceiling on foreign military sales financing for El Salvador contained in the committee print was rejected by a vote of 8-11. Ayes: Senators Helms, Lugar, Boschwitz, Pressler, Murkowski, McConnell, Humphrey, and Mack. Nays: Senators Pell, Biden, Sarbanes, Cranston, Dodd, Kerry, Simon, Sanford, Moynihan, Robb, and Kassebaum.

The following amendments were adopted on voice vote:

An amendment making technical corrections to the military assistance title;

An amendment proposed by Senator Kerry earmarking funds for Costa Rica's debt reduction program;

An amendment waiving section 660 (prohibiting police training) for biological diversity projects;

An amendment deleting the reference to the Pan American Health Organization in the prohibition of funds to the World Health Organization if the PLO becomes a member;

An amendment earmarking $80 million of the aggregate of Development Assistance and Economic Support Fund assistance for the Afghan people;

An amendment proposed by Senator Simon requiring reports on water resources management;

An amendment making technical corrections to the Middle East title;

An amendment waiving termination of disaster and humanitarian assistance for a country whose democratically elected government is overthrown;

An amendment proposed by Senator Helms earmarking $1,000,000 of MAP funds and $2,000,000 of IMET funds for antinarcotics activities;

An amendment proposed by Senator Sarbanes expanding existing law's policy language on women in development;

An amendment proposed by Senator Lugar requiring additional information on arms sales notifications;

An amendment proposed by Senator Lugar requiring additional information in the quarterly reports on arms transfers;

An amendment proposed by Senator Helms adding Afghanistan, Laos, and Cambodia to the existing list of Communist countries;

Amendments proposed by Senator Biden relating to the environment in the Multilateral Assistance Initiatives for the Philippines provisions;

An amendment making technical corrections to the Central America provisions;

An amendment making technical corrections to the Private Voluntary Organizations and University Centers provisions;

An amendment making technical changes to the mandatory retirement provisions for Inspector General investigators;

An amendment proposed by Senator Humphrey regarding use of U.S.-owned excess foreign currency;

An amendment proposed by Senator Mack requiring creation of an Index for Economic Freedom;

An amendment deleting the provision on conservation of endangered and threatened species in the committee print;

An amendment proposed by Senator Lugar relating to crop substitutions in drug-producing countries;

An amendment proposed by Senator Lugar raising the authorization for American Schools and Hospitals Abroad to $44,000,000;

An amendment to extend the Administration of Justice Program through fiscal year 1990;

An amendment proposed by Senator Lugar to expand existing authority for the Administration of Justice Program to include the Philippines;

An amendment proposed by Senator Lugar stating the sense of Congress that the Defense Security Assistance Agency should support the use of retired U.S. civilians and military as FMS training programs, as long as the training is of comparable quality and cost effective;

An amendment proposed by Senator Simon authorizing up to $10 million of unearmarked ESF funds for establishing desalination and fresh water activities, particularly in the Middle East and Africa;

An amendment making technical corrections to the Latin America title;

An amendment proposed by Senator Pell repealing the following sections of the Foreign Assistance Act: 120, 121, 127, 206, 209, 219, 241, 302(b), 302(i), 302(j), 303, 494, 495B, 495C, 495D, 495E, 495F, 495G, 495I, 495K, 611, 637, and 663; and the following related acts: the Special Foreign Assistance Act of 1986 except for section 1, title I, and section 204; the International Security and Development Corporation Act of 1985 except for section 1, section 131, section 132(a), section 202(c), section 305, title V, section 718, section 803, section 903, section 904, section 905, section 906, section 1205, and section 1303; the Jordan Supplemental Economic Assistance Authorization Act of 1985; the African Famine Relief and Recovery Act of 1985; the International Security and Development Assistance Authorizations Act of 1983; the Lebanon Emergency Assistance Act of 1983; the International Security and Development Cooperation Act of 1981 except for section 1, section 709, section 714, and section 726; the International Security Development Cooperation Act of 1980 except for section 1, section 110, section 315, section 316, and title V; the International Development Cooperation Act of 1979; the Special International Security Assistance Act of 1979; the International Development and Food Assistance Act of 1978 except for section 1, title IV, and section 603(a)(2); the International Security Assistance Act of 1978 is repealed; the International Development and Food Assistance Act of 1977 except for section 1, section 132(b), and section 133; the International Security Assistance Act of 1977; the International Security Assistance Act of 1977; the International Security Assistance and Arms Export Control Act of 1976 except for section 1, section 201(b), section 212(b), section 405, section 601, and section 608; the International Development and Food Assistance Act of 1975; the Foreign Assistance Act of 1974; the Foreign Assistance Act of 1973; the Foreign Assistance Act of 1971; the Foreign Military Sales Act Amendments, 1971;

An amendment making modifications to section 802 of the Simon-Kassebaum amendment adopted earlier;

An amendment proposed by Senator Simon requiring the Secretary of State and Secretary of Defense to conduct a study of our present base rights agreements;

A modification of an amendment proposed by Senator Murkowski requiring a study of the impact of tied aid on foreign assistance programs;

An amendment proposed by Senator Pell modifying an amendment adopted by the Committee relating to a PVO center, stressing that the private and independent nature of PVOs not be compromised;

An amendment proposed by Senator Pressler requiring a report on the Soviet presence in Africa;

An amendment proposed by Senator Pressler expressing the sense of Congress on the Yugoslav human rights situation;

A sense of Congress amendment proposed by Senator Simon stating that the President should take all possible steps to restore peace to Lebanon and fund PVO humanitarian efforts to Lebanon;

An amendment offered by Senator Dodd to raise the ceiling to $90,000,000 for foreign military sales financing available for El Salvador;

An amendment offered by Senator Kerry directing the U.S. Executive Director of the International Monetary Fund to promote staffing and policy changes with respect to the management of natural resources;

An amendment offered by Senator Dodd earmarking $2,000,000 in foreign military sales financing for the Dominican Republic;

An amendment offered by Senator McConnell prohibiting educational scholarships or exchange programs for foreign nationals who are members of terrorist organizations;

An amendment offered by Senator McConnell requiring a report on foreign agricultural development programs of the European Community;

An amendment offered by Senator McConnell requiring a report on clean coal technologies export programs within U.S. Government agencies;

An amendment offered by Senator Lugar adding the Philippines to the list of designated major non-NATO allies:

An amendment offered by Senator Lugar that provides a limited exception under the prohibitions of section 660 of the Foreign Assistance Act for police training related to the regional security system of the Eastern Caribbean States;

An amendment offered by Senator Lugar authorizing assistance for El Salvador under section 103 of the committee print for purposes otherwise prohibited by section 660 of the Foreign Assistance Act if certain conditions are met;

An amendment offered by Senator Pell increasing the International Organizations voluntary contributions account by $14.6 million and earmarking $16 million for the U.N. Emergency Trust Fund for Afghanistan.

Committee Comments

MILITARY ASSISTANCE AND SALES AND RELATED PROGRAMS

Military Assistance Programs

The committee bill provides for military assistance through the Foreign Military Sales Financing Program and the Military Assistance Program grants at a level $120 million above current funding. The International Military Education and Training Program is authorized at $54.5 million, the level requested by the Administration, which is also $7.1 million above the amount in current law. Peacekeeping operations are authorized at $33,377 million as requested by the administration. This represents an increase of $1.7 million over the current level. With these modest increases over current levels taken into account, total military aid is more than $200 million below the administration request in order to meet budgetary strictures.

In order to increase the spending value of military assistance to recipients while holding the line as much as possible, the committee bill provides that all military assistance be in grant form. In recent years, the proportion of grant and forgiven credits versus loans had been changing in the direction of direct aid as successive administrations and congresses attempted to help recipient nations avoid increases in debt. Accordingly, the committee believed that this was an appropriate time to simplify and rationalize the military assistance program by making it all grant. This step will save recipients from added debt burden because of military aid and it will help the available funds accomplish more.

As a result of this change, the military assistance program will disappear, and military assistance will be provided under the foreign military sales financing program. The MAP program did not allow for direct commercial purchases, since it was restricted to government to government sales. Under the change, former MAP recipients will remain ineligible to make direct commercial purchases. In fiscal year 1990 countries eligible for direct commercial purchases will include Greece, Portugal, Turkey, Egypt, Israel, Jordan, Morocco, Pakistan, Tunisia, and North Yemen.

Another step taken to stretch military assistance funds was to approve a fair pricing initiative at administration request. Under the initiative, certain charges to FMS customers, particularly those receiving grant assistance would be eliminated. These include the nonrecurring charge for research and development for grant assistance recipients only, the asset use charges, salaries of U.S. military involved in administration of the program and unfunded civilian retirement costs. The Department of Defense estimates that fair pricing will stretch grant financing an average of 4 percent and increase the competitiveness of U.S. defense articles and services.

The committee is pleased to be able to authorize these significant changes in the military assistance program. At the same time, however, it would warn the administration and assistance recipients that, against the background of current financial problems and continuing debt increases for the United States, it would be imprudent to plan on substantial increases in military assistance in the years ahead. Accordingly, recipients should continue to strive for greater self-sufficiency in their military programs. Some, such as Spain and Korea, which provide admirable examples, may be able to achieve complete self-sufficiency.

The committee expects the administration to work closely with the Congress in allocating funds. This will be particularly important given the scarcity of resources. Recognizing this problem, the committee has done its best to limit earmarking of funds to instances in which needs are apparent or urgent. This will allow the administration as much leeway as possible in determining the allocation of funds.

Consistent with these decisions, the committee earmarked $1.8 billion in military assistance for Israel and $1.3 billion for Egypt, sums comparable to current spending levels. The Committee limited military assistance to Turkey for fiscal year 1990 to $500 million. A total of $350 million is earmarked for Greece. In both cases, the amounts specified are comparable to current spending levels. Increased funds are earmarked for two base rights countries, Portugal and the Philippines, which together account for $100 million of the $120 million increase in military assistance. Portugal is earmarked at $125 million, an increase of $25 million over the current allocation and an increase requested by the administration in view of pledges by the United States of our best funding efforts. Funding for the Philippines is increased $75 million to $200 million. This meets an administration request for additional funding for the Philippines to meet pressing military requirements. A total of $10 million is earmarked for Malawi, as contrasted with the requested level of $1.2 million for fiscal year 1990 and the current allocation of $950,000. Funds for El Salvador are limited to $90 million, a $5 million increase over the present level, and $2 million is earmarked for the Dominican Republic.

Congressional Controls on Arms Sales

The committee took steps to ensure that the Congress will have controls over commercial transfers comparable to those controls which now apply in the case of government-to-government sales. In addition, the committee revised the statute governing third country transfers to make sure that defense articles and services, including technical data, sold commercially will be covered in a manner similar to government-to-government sales. The committee also acted to specify that illegal re-transfers or failure to maintain security of transferred articles or services would lead to a cut-off of cash sales or deliveries. At present, only credits are terminated for such activities.

With regard to commercial transfers, the bill deletes the exception for NATO countries, Japan, Australia, and New Zealand, to the provision under which Congress may review and disapprove a proposed export. With regard to commercial technical assistance and manufacturing licensing agreements, the bill provides for a 30-day period for congressional review and for Congressional disapproval by joint resolution under expedited procedures. This change was brought about as a result of the experience late last year and early this year with the proposed FS–X aircraft codevelopment arrangement with Japan.

The committee believes that these changes are necessary in view of the trend toward increasingly significant commercial sales and the rising relevance to our national security interests of technology transfers.

ECONOMIC SUPPORT FUND

The fastest growing component of U.S. economic aid in recent years has been the ESF program, and within that program, balance-of-payment assistance in the form of cash grant transfers vastly overshadows other forms of economic support. About 60 percent of ESF is programmed as cash transfers; less than 4 percent is programmed as commodity import programs (CIP) to fund imports from the United States; and 37 percent is allocated as project assistance supporting development projects.

The committee bill includes a provision to ensure that cash transfers do not have the effect of enabling countries to increase their purchases of non-U.S. goods and services at the expense of U.S. goods and services. This provision, proposed by Senator Sarbanes, provides that assistance may be provided as cash transfer only pursuant to an agreement requiring the recipient country to spend an amount equal to the amount of the cash transfer on the purchase of U.S. goods and services. This requirement does not prevent a country from purchasing with the U.S. cash transfer goods and services produced in that country. The committee intends that only purchases made by the government of the recipient country shall be considered in determining whether that government is spending an amount equal to the amount of the cash transfer. Private transactions between purely commercial entities in the United States and in the recipient country are not to offset the requirement for recipient government purchases of U.S. goods and services. U.S. goods purchased pursuant to such an agreement shall be deemed to have been furnished without provision for reimbursement, the effect of which is simply to apply the same requirements now governing commodity import programs to cash transfers.

Modeled upon an existing agreement with Israel, the largest single recipient of U.S. cash transfers, the above described provision in the committee bill assures that when cash grant transfers are made they serve to enhance not only the economy of the recipient nation but that of the United States as well.

International Fund for Ireland

The committee bill earmarks $20 million for the International Fund for Ireland, which was established in 1986. The fund's objectives are first, to challenge the chronic unemployment and deprivation which create an economic and social environment in which violence and instability can flourish, and second, to encourage contact, dialogue, and reconciliation between communities in Northern Ireland.

The committee notes that the Anglo-Irish Agreement Support Act of 1986, which authorized the United States contribution to the International Fund for Ireland, set forth a number of criteria according to which the United States contribution to the fund should be spent. These criteria include the encouragement of new investment, job creation, and economic reconstruction.

The committee strongly believes that economic development—especially the creation of permanent, full-time jobs—in the most devastated areas of Northern Ireland and the border counties of the Republic of Ireland will most effectively contribute to reconciliation in that troubled region.

The committee fully expects the board of the fund to comply with this mandate, and notes that in September 1988, the board decided to make a new, focussed effort in the most disadvantaged areas of the North. The committee commends the board for this decision and looks forward to continued progress in economic development in the areas most affected by Northern Ireland's troubles.

Therefore, the committee requests the Board of the International Fund to continue to include in its annual report the number of full-time and seasonal jobs that have been created in each of the Fund's program sectors.

DEVELOPMENT ASSISTANCE

Population Policy

For two decades the committee has supported a strong and effective voluntary family planning effort as a crucial ingredient in our bilateral assistance program, aimed at addressing serious problems of disease, poverty, malnutrition and environmental degradation, all problems that are exacerbated by high population growth rates. Within the functional accounts in AID, population programs have been the second largest account for most of the past decade.

The Foreign Assistance Act has contained a prohibition on the use of any funds under the Act for abortion as a method of family planning and involuntary sterilizations since its enactment in 1961. In 1981, a further prohibition on funds being used for biomedical research related to abortion was enacted by Congress.

In 1984, at the International Conference on Population in Mexico City, the administration announced a policy, the so-called Mexico City policy, that prohibits U.S. assistance to nongovernmental agencies that use non-U.S. funds for abortion-related activities. This policy goes substantially beyond any restrictions in law.

About half of AID's population funds are programmed through professional family planning organizations, universities, and other nongovernmental entities. These U.S. entities report that they can no longer work effectively in most of those 65 AID—recipient countries whose laws permit abortion under conditions broader than the Mexico City policy because virtually all qualified indigenous health and family planning groups have some connection with abortion services, counseling, or referral. The resulting shift away from indigenous private organizations to government or government-sponsored institutions has not been cost-effective, and has meant reduced accessibility to family planning programs for developing country populations.

In response to this concern about diminished effectiveness of U.S. population programs, the committee adopted a provision, originally sponsored by Senator Kassebaum, requiring that nongovernmental and multilateral organizations not be subject to requirements more restrictive than those imposed on foreign governments for purposes of establishing eligibility for U.S. population assistance under section 104(b) of the Foreign Assistance Act. This provision invalidates the Mexico City policy.

Private Voluntary Organizations

The committee reaffirms its strong support for the international development work of the private and voluntary organizations (PVO's) and cooperatives. Not-for-profit private and voluntary organizations provide high-quality services to the government at less cost—about half the cost of AID professional staff or for-profit contractors—with more sustainable results. PVO's by their nature are able to reach the poorer groups in countries where they operate. PVO's have increased the effectiveness of U.S. development assistance efforts by experimenting with new approaches such as Child Survival techniques, which have later become keystones of the overall U.S. development program.

The committee and AID share a longstanding commitment to the work of the PVO's. On May 2, 1989, AID Administrator Alan Woods testified to the committee:

> (AID) could not operate without private and voluntary organizations. They are our hands and arms in so many places in the world—and it is terribly important that the Agency have a very intimate relationship with private and voluntary organizations.

In order to strengthen and enhance the partnership between AID and the PVO's, the committee has included a modification of existing law to require that at least 15 percent of bilateral economic funds be channeled through and to PVO's, and has established a target of 25 percent of such funds for that purpose. This modification brings the law into conformity with actual practice. AID's congressional presentation document for the fiscal year 1990 budget estimates that 23 percent of the economic assistance administered by the agency will be channeled through PVO's.

The committee wishes to take particular note of the effectiveness of the vocational training programs carried out in Lebanon by the YMCA, in the face of the deepening crisis in that war-torn country. This training both provides an alternative to young people who might otherwise be attracted by the financial incentives to serve in one of the local militia, and contributes to the development of skills which will be important to the reconstruction of the country. The committee urges AID to maintain its support of indigenous and other PVO programs in Lebanon.

Centers for Voluntary Cooperation in Development and University Cooperation in Development

The committee bill establishes two centers within AID which are designed to strengthen the partnership for development among the U.S. Government and the private voluntary organizations, cooperatives, and credit unions, and universities by providing focal points for that partnership. Establishment of these two centers also reflects the Committee's concern for accountability of agency programs and priorities by giving an expanded advisory role to representatives of the nongovernmental sector in developing relevant AID policies and programs and overseeing AID activities which involve the private sector.

Center for Voluntary Cooperation in Development.—It is the intent of the legislation that all current programs within the Office of Private Voluntary Cooperation shall be made part of the center. The committee wishes to stress that in developing programs and criteria for participation of PVO's, cooperatives and credit unions in AID funded activities, the Center for Voluntary Cooperation in development shall keep in mind the diversity of such organizations and make every effort to streamline and minimize bureaucratic steps in the grant making process, procedures and reporting requirements.

The committee bill specifies that the center shall be headed by a Director who shall report directly to the Administrator. It is the intent of the committee that the Director have the rank of at least a Deputy Assistant Administrator.

A 10-member Presidentially appointed advisory board to the center is established to advise the Director of the center and the administrator in facilitating the role of PVO's, cooperatives, and credit unions in development. The committee intends that the board consult and work cooperatively with the parallel advisory board for the university Center to strengthen collaboration between PVO's and universities. The board is authorized to establish subgroups of representatives from PVOs and cooperatives. The committee urges the board to reach out to representatives from local nongovernmental organizations (NGO's) from developing countries to assist it in making recommendations and to strengthen the relationship between U.S. and developing country PVO's and NGO's.

The committee urges AID to consider whether other programs of PVO's and cooperatives currently located in other bureaus may be more appropriately administered within the Center. Should AID move those programs to the center, their budgets and staffing levels should also be transferred to the center.

Center for University Cooperation in Development.—The University Center, closely paralleling the Voluntary Center, is to be the primary focus for coordination between AID and universities. It too is to be headed by a Director who reports directly the Administrator. It is the intent of the committee that the Director have at least the rank of Deputy Assistant Administrator.

In 1975, Congress enacted title XII, Famine Prevention and Freedom From Hunger, of the Foreign Assistance Act of 1961. In that amendment, Congress set forth a strategy to address the problem of hunger in developing countries by using the resources developed by U.S. land-grant, sea-grant, and other eligible universities. The legislation authorizes the President to strengthen the capacities of these universities in program-related agricultural institutional development and research, and encourages AID to enter into a partnership with U.S. universities in its efforts to alleviate hunger and malnutrition in developing countries. During the 7 years following enactment of title XII, the number of new title XII contracts and grants for technical assistance to host countries grew, reaching a peak in 1982. Since 1982, however, the number of new title XII projects started each year has declined by more than one-half. The Government Accounting Office's analysis showed that by the end of fiscal year 1990, about 75 percent of the 142 ongoing projects will have terminated.

In light of this precipitous decline in the government-university partnership, the committee believes it is essential that the center expand AID cooperation with universities in areas in addition to agriculture such as health, family planning, and the environment. The 10-member Presidentially appointed advisory board to the University Center is encouraged to review and make recommendations to the center Director and the Administrator as to how the considerable resources of universities could best contribute significantly to AID's development activities. The committee urges the board and the center to look at means by which title XII institutions could form partnerships with private sector, PVO, and minority contractors for collaborative projects. Consultation and cooperation between the two parallel advisory boards should facilitate this process.

The committee encourages AID to work with the Kansas University School of Medicine to develop and support a mutual assistance medical program between Kansas University School of Medicine to develop and support a mutual assistance medical program between Kansas University School of Medicine and the Universidad de Costa Rica to be administered by Kansas University Medical School. Such a program would provide scholarships for a faculty exchange program, develop computer software in English and Spanish, and provide scholarships for Costa Rican students to study medicine in Costa Rica.

Post-Conflict Reconstruction

As significant progress is made toward the peaceful resolution of a number of longstanding regional disputes, such as those in Central America, Southern Africa, Afghanistan, and Cambodia, the focus of U.S. foreign assistance programs will undoubtedly begin to shift toward the problems and challenges of postconflict reconstruction. While tensions in the security area will not cease, the context of expanded East-West contact and greater cooperation may alter the forums for superpower competition. Economic issues are likely to predominate on the regional agenda, with a new emphasis on the questions of balanced growth and debt reduction, rebuilding war-ravaged infrastructures and resettling refugees.

The committee believes that U.S. humanitarian traditions and U.S. national interests compel our full participation in international efforts to help build a brighter future for war-weary people in such settings, and encourages the administration to give greater priority to efforts to meet basic human needs such as food production, health care, education, housing, and sanitation. The committee further urges the administration to conduct a review of U.S. economic development assistance programs in light of the evolving world geopolitical situation, giving particular consideration to the nature of the challenges involved in rebuilding communities in former conflict zones, and the resources and mechanisms through which those challenges can most effectively be addressed.

OTHER ASSISTANCE PROGRAMS AND AUTHORIZATIONS

American Schools and Hospitals Abroad

The American Schools and Hospitals Abroad (ASHA) Program provides grants to institutions outside the United States that are sponsored by U.S. citizens or organizations. The assistance provided by this program is a supplement to their other sources of funding, and grants are awarded subject to specific criteria.

The committee believes that the schools and hospital centers supported by ASHA are an expression of the highest ideals of the American people, and it has recommended $44 million for this program. The humanitarian and educational commitments of the institutions assisted by ASHA further the interests of the United States by helping the people of other countries to develop more productive economies, to achieve more pluralistic societies, and to understand the ideas and practices of the United States.

The committee adopted unanimously an amendment offered by Senator Lugar to increase funding of the ASHA program from the $40 million authorization level included in the committee markup document to $44 million with the specific intention of increasing U.S. support to the American University of Beirut (AUB) and Beirut University College (BUC). Both of these institutions have long held a special place in fostering American principles of tolerance and independent thought in Lebanon, and the committee believes that the United States commitment to the stability and unity of that country can best be demonstrated through firmness in our support of AUB and BUC. Financial assistance to American University Hospital, which has treated more than 80,000 casualties of war without regard to political or religious affiliation, is also an expression of the American people's humanitarian concern. In order to meet financial obligations arising from deterioration of the Lebanese economy and damage to facilities caused by intensive artillery fire in Beirut in recent weeks, AUB has estimated that it will require $10 million in U.S. assistance in fiscal year 1990, and BUC has estimated that it will require $1.5 million in fiscal year 1990. The committee urges AID to provide suport to these two institutions at these levels.

The committee also wishes to take special note of the Salzburg Seminar in American Studies. The Salzburg Seminar, located on the outskirts of Salzburg, Austria, is widely recognized as one of the most successful American educational enterprises abroad. The seminar promotes a deeper understanding of American civilization and ideas.

Since the earliest days of the seminar, individuals who taught and conducted research at major U.S. institutions of higher education have been invited to serve as Salzburg faculty. Throughout the seminar's 42-year history, non-Americans have studied and learned about the United States directly under the tutelage of some of America's most outstanding conceptualizers and teachers including Henry Steele Commanger, Stanley Katz, Saul Bellow, John Hersey, former Chief Justice Warren Burger and Chief Justice William Rehnquist.

For each seminar session, the staff selects 50 of the best qualified men and women from many applicants. Over the years, fellows from over 100 countries have participated in the seminar's programs. In 1988, 312 fellows from 59 countries participated in the seminars' programs.

At present, officials of the Salzburg Seminar are undertaking a renovation program of the living accommodations for the fellows which have been deficient for some years now. An application has been submitted to AID's ASHA program requesting $500,000 in grant assistance for the renovation. This would constitute one-sixth of the total cost of the renovation. The committee believes the Salzburg Seminar in American Studies clearly meets the eligibility requirements for assistance from ASHA and expects that the $500,000 requested will be made available for the renovation during fiscal year 1990.

EAST ASIA AND THE PACIFIC

Multilateral Assistance Initiative (MAI) for the Philippines

The committee bill authorizes U.S. participation in a multidonor, multiyear program of economic assistance to the Philippines. The provisions reflect the efforts of the Governments of the Philippines, the United States, and other donors, to develop a coordinated economic reform and assistance program which will support the continued economic growth of the Philippines, the translation of that growth into an improved quality of life for its people, and enhanced participation of the Philippine people in the democratic process.

The provisions in the committee bill explicitly recognize the longstanding and close ties between the people of the Philippines and the people of the United States, and express our strong support for the reestablishment of democracy, revitalization of democratic institutions, and renewal of economic growth under President Aquino. In joining with other donors in this commitment, the United States is assisting a close friend and ally as the Philippines undertakes to expand the participation of its citizens in the economic growth of the country.

The committee recognizes that considerable political and economic progress has been achieved in the Philippines. Economic problems in the country remain serious, however, with debt service in 1988 totaling over $1 billion more than the country received in foreign economic assistance. Unless the promise of democracy can be translated into tangible improvement in the lives of the Filipino people, the future of democracy in that country, already challenged by a Communist insurgency, may be in jeopardy.

The committee bill therefore authorizes the United States to contribute, in concert with other donors, to a 5-year multilateral assistance initiative known as the MAI. Under this initiative, the Philippines should receive an additional $5 billion in economic assistance from other donors, including Japan, the European Community, the Association of Southeast Asian Nations (ASEAN) and the multilateral development banks, and $5 billion in new private sector resources, including foreign investment, debt equity swaps, and possible debt relief. A U.S. contribution of $200 million annually, the limit the bill imposes on the contribution for fiscal year 1990, would therefore be leveraged into a total $2 billion multilateral contribution to the Philippines annually.

The committee adopted several amendments offered by Senator Biden to the MAI provisions that make clear the importance the committee places on addressing the serious environmental problems of the Philippines. In particular, the committee seeks to assure greater consideration and support for environmental restoration and sustainable natural resource management programs during the development and implementation of the MAI. Support for these programs is crucial for the long-term economic health of the Philippines.

Environmental conditions in the Philippines are deteriorating rapidly. Declining forests in the Philippines are indicative of the environmental crisis facing that nation. Forty years ago, forests covered an estimated 50 percent of the land in the Philippines. Today, forest lands have been cut back to less than one-half that amount, 21 percent. According to recent studies, timber operations continue to clear Philippine forests at the rate of 2.4 acres per minute. If current trends continue, virgin timber lands will disappear in a little more than a decade. The unsustainable pace of tree cutting affects other natural resources of the Philippines. Rice paddies have become heavily silted by increased soil runoff from clearcut areas. Decline in rainfall, due in part to deforestation, has increased concern that large areas of the Philippines could become a desert. More than 12 million acres are in need of reforestation, with over 5 million acres of that in important watershed areas.

Other natural resources of the Philippines are threatened as well. Important fisheries and coral reefs have suffered from excessive and improper fishing practices. Rivers, bays, and coastal waters, have been damaged by mining operations as well as pesticide and fertilizer runoff.

The amendments offered by Senator Biden place the environment on a priority footing with other provisions of the MAI. The committee notes that this is consistent with section 301 of the bill, which makes improved environmental, natural resource and agricultural management one of the four principal goals of the Foreign Assistance Act.

In particular, the provisions before the committee, originally submitted by the administration, were amended to express the committee's desire to see environmental programs and projects receive increased financial support. Consistent with the provisions of the bill, the committee expects that the President will actively search out and encourage environmental projects, and make clear to nongovernmental organizations and the Philippine Government that environmental projects are a major priority for the United States.

The committee recognizes that there is a limit to the amount of funds that the Philippines can absorb for environmental programs at this time. But in that the MAI is a multiyear program, the committee expects that the annual level of support provided to environmental projects will increase over the life of the program as the President encourages their development and as environmental expertise develops in the Philippines.

The amendments adopted by the committee also expand the list of issues the President must consider before requesting annual appropriations for continued participation in the MAI to include the Philippine Government's progress on natural resource management. The committee urges that, in the annual report to Congress on progress toward meeting the goals of the MAI, the President should give particular attention to a review of the environmental aspects of the MAI.

The Committee remains concerned by the relatively scant detail given to the environment in the framework document prepared by the Government of the Philippines, and is very interested in seeing progress in this area. The committee expects that the annual report will specifically address actions of the Philippine government on the environment, U.S. efforts in this area, the impact of projects undertaken by other participants on the environmental emphasis of the United States in the MAI, and progress toward restoring and improving environmental conditions in the Philippines.

The MAI is being viewed as a model for multilateral cooperation of foreign aid. The committee believes the MAI also can be a model for increased global cooperation on the environment. The donor nations in the MAI are expected to have important roles in addressing the threat of global warming, and thus the MAI presents the United States with a unique opportunity to inject environmental concerns into not only development plans for the Philippines, but into the foreign assistance programs of participating countries and institutions.

The committee believes that the MAI provides a real opportunity to change traditional ways of viewing the environment in foreign aid programs and in the context of economic development. The environmental amendments adopted by the Committee seek to put this important shift into motion in an internationally coordinated manner.

NEAR EAST AND SOUTH ASIA

Assistance to Pakistan

Pakistan remains a key partner in United States effort to prevent the expansion of Soviet influence in South and Southwest Asia. Moreover, the United States strongly supports the transition to democracy in Pakistan, and shares a commitment to the development of strong democratic institutions in Pakistan. United States assistance is a vital part of Pakistan's own efforts to encourage the economic growth and stability necessary to allow democracy to flourish.

Therefore, the committee has earmarked $250 million in economic support fund assistance for Pakistan in fiscal year 1990, an increase of $35 million over the amount presently available. Although the committee did not earmark military assistance funds for Pakistan, it believes that the administration's request for a $10 million increase is important to maintain the upgrading of Pakistan's inadequate and obsolete ground forces equipment.

The committee bill also extends current law's authority for the President to waive the prohibition on assistance to countries that receive nuclear enrichment materials, equipment, or technology, and that do not accept full-scope nuclear safeguards, if he determines that it is in the national interest of the United States, from April 1, 1990 to September 30, 1994. In so doing, the committee recognizes that a stable U.S. security assistance commitment to Pakistan is essential to give Pakistan an alternative to the development of nuclear weapons in meeting its legitimate security needs. At the same time, the committee wishes to underscore the importance it attaches to strong, effective efforts to halt the spread of nuclear weapons. The committee remains convinced that the principle underlying provisions in existing law that the United States will not provide military assistance to nations that embark upon unsafeguarded nuclear activities and that refrain from participation in the international nonproliferation regime remains an entirely valid principle. Exceptions, such as that for Pakistan, should be made only upon compelling and demonstrated need and should receive close, continuous oversight.

AFRICA

Title VIII on Africa is a bipartisan substitute offered by Senators Simon and Kassebaum. The provisions relating to the Development Fund for Africa are based on earlier legislation introduced by Senators Simon, Kassebaum, Pell, Kennedy, and Kasten.

Africa Famine Recovery and Development

Sub-Saharan Africa has been in a state of steady economic decline for nearly 20 years. Population growth rates have risen to an average of 3.3 percent per year while per capita income has fallen dramatically. Drought and war in combination with rapidly growing populations have caused agricultural production to decrease and the deaths of hundreds of thousands of Africans from famine. External debt has risen to $118 billion. Approximately 52 percent of the continent's export earnings are going to debt service. Today, Africa ranks lowest in all development indices.

The committee recognizes the seriousness of the situation in Africa and the urgency of addressing Africa's development needs. The committee notes that the African nations, in adopting the United Nations Programme of Action for African Economic Recovery and Development in 1986, committed themselves to economic reform and demonstrated their willingness to take primary responsibility for their own development. The committee welcomes this development and believes that the United States should provide meaningful and effective assistance to help the African nations achieve their economic and developmental goals.

In 1987 Congress embarked upon an experiment by replacing the traditional functional accounts for Africa with a Development Fund for Africa (DFA). Part A of title VIII of the committee bill, the Africa Famine Recovery and Development Act, creates a separate authorization for the Development Fund for Africa, provides more detailed guidelines for the fund than what is in current law, and makes those guidelines mandatory rather than hortatory.

Part A amends the Foreign Assistance Act of 1961 by adding a new chapter, 10, which authorizes project and program assistance to help Africans participate in a development process through economic growth that is equitable, participatory, environmentally sustainable, and self-reliant. The Agency for International Development (AID) is directed to consult with, expand, and strengthen the efforts of African and American private and voluntary organizations; to place greater emphasis on development activities for women, who are the major producers in rural African economies; and to increase the involvement of Africans in local level projects. Among the sectors identified as critical for long-term development are agriculture and natural resources, health, population, and education.

The committee bill authorizes $565 million, the administration's request, for the Development Fund for Africa and earmarks $87.75 million in economic support funds, making a total of $652.75 million for Sub-Saharan Africa for fiscal year 1990. The equivalent of 30 percent of the funds authorized for the DFA are to be targeted for natural resources, health, and population, with a goal of 10 percent to be spent in each of these areas, respectively. The committee bill earmarks $50 million of the DFA for the Southern African Development Coordination Conference (SADCC).

The Development Fund for Africa is designed to improve the effectiveness and quality of United States assistance in Africa by providing AID with greater flexibility to shape bilateral aid programs. While the committee supports the idea of flexibility, the committee also believes that traditional priorities crucial to development such as increased agricultural production, health, education, and voluntary family planning should receive substantial resources. The committee expects that AID will continue to use this flexibility in full consultation with the appropriate congressional committees.

The guidelines for the development fund in the committee bill emphasize consultation with private and voluntary organizations that are active in Africa and increased involvement of Africans in the development process. In the committee's view, these are essential elements of a successful American aid strategy for Sub-Saharan Africa.

WESTERN HEMISPHERE

Part A of the title of the committee bill relating to the Western Hemisphere, provisions authorizing assistance for the Central American Recovery and Development Program, was included at the suggestion of Senator Sanford. A majority of the provisions in the other parts of the title were included in the committee bill at the suggestion of Senator Dodd.

Central American Recovery and Development Program

The committee supports strongly the recommendations of the International Commission for Central American Recovery and Development. The Commission was inspired by the leadership of Senator Terry Sanford. The committee commends our distinguished colleague for his invaluable contributions in forging a bipartisan consensus on U.S. policy toward this strife-torn region.

Section 901–905 of the International Security and Development Cooperation Act of 1989 represent the legislative implementation of the recommendations of the International Commission for Central American Recovery and Development. The committee notes that the strength of the Commission stems from the fact that it was truly international in scope, comprised of representatives from 20 different countries in Latin America, Asia, Europe, and North America. Of the 47 Commission members, 20 came from the Central American region itself.

The legislative package developed in response to the report of the Commission builds upon the ideals and vision of the Esquipulas II peace accords. Just as Esquipulas articulated a clear set of Central American priorities and goals in pursuing peace and long-term stability in the region, the Commission relied heavily on the leadership of the Central Americans themselves in formulating a comprehensive set of recommendations to deal with the pressing social, economic and political problems of the region.

The Central American Recovery and Development Program contained in this legislation builds upon the work of the Kissinger Commission and the Caribbean Basin initiative formulated and implemented by the administration of President Ronald Reagan.

The committee concurs with the findings of the Commission that poverty, inequity, and political exclusion of the vast majority of the population in the region are the central causes for the current crisis in the region. Therefore, the committee supports a development strategy which focuses on equitable economic and democratic development. In response to the Commission's report, the committee approved an integrated legislative package which includes the following elements:

> Policy language directing the United States to take the leadership role in assisting with the creation of a multi-donor, reconstruction and long-term development effort in Central America;
>
> The maintenance of last year's foreign assistance levels for each country in the region;

Compliance with Esquipulas II as the primary criteria by which provision of assistance to each country in the region is judged;

The provision of seed money for the creation of a Central American Development Coordination Commission;

The provision of $25 million to the Special Plan of Economic Co-Development, patterned after the National Reconciliation Commissions, in each country. This would enhance the work of the CADCC by assuring multisectoral participation in the decision-making processes affecting project formulation and implementation;

The provision of $25 million to the Special Plan of Economic Cooperation for Central America which is being coordinated by UNDP. This plan was agreed to by the five Central American countries in April 1988, with the immediate priority focusing on the implementation of programs for the resettlement of the region's refugees and displaced persons.

The committee believes that one of the most useful roles the United States can play in the region is to facilitate the implementation of the Commission's work, which is the primary motivation behind the provisions contained in section 901-905 in the committee's bill. It is the committee's view that if given the opportunity, the encouragement, the incentives, and the appropriate mechanisms, the people of Central America can, and will, come together and work out their own problems.

Costa Rica

The committee has established a floor of $90 million in economic support funds for Costa Rica for fiscal year 1990. This amount is $33 million above the administration's request for fiscal year 1990, and the same level as was appropriated for the current fiscal year. The committee took this action in recognition of Costa Rica's impressive performance in economic policy reform and its highly positive role in furthering the peace process in Central America.

The committee intends that the $33 million in funding above the administration's request be used innovatively to assist Costa Rica in dealing with its crushing external debt burden. As a result of the government's constructive economic policies, the Costa Rican economy is undergoing an impressive rate of recovery with an annual growth rate in excess of 4 percent. However, the total external debt of Costa Rica exceeds the nation's GDP, with the result that only partial interest payments are able to be made on the $1.5 billion in debt owed to foreign commercial banks. Foreign debt now represents the major developmental constraint on Costa Rica's economy.

To restore international creditworthiness and to free up national domestic savings for growth producing investments, Costa Rica requires international assistance in reducing its debt service requirements. The United States, through the new Brady plan, now proposes to support debt reduction programs for heavily indebted countries under the appropriate circumstances. Because of its heavy external debt burden, Costa Rica is a prime candidate for Brady plan assistance, particularly in light of the impressive economic reforms the current government has implemented. In fact, Costa Rica at present is in the advanced stages of discussions with its commercial bank creditors on a voluntary "debt-buyback" program, combined with other debt restructuring measures. The IMF and World Bank are active participants in this effort to find market-based solutions to Costa Rica's external debt problems. The fund and the Bank are also providing new financing through a stand-by agreement and a second structural adjustment loan (SAL II), respectively. Japan is cofinancing SAL II with $100 million. The committee applauds these actions which are being carried out in conjunction with United States assistance, and which helps a staunchly democratic Costa Rica to achieve economic prosperity through broad-based sustainable growth.

The "debt-buyback" fund, supported by concessional contributions from a number of donors, has been proposed to finance the repurchase of Costa Rica's commercial bank debt on a "deep-discount" basis. Following the lead of the Brady plan, both the World Bank and the IMF are prepared to make available a portion of the resources required for such a debt reduction plan. By making available ESF for use in an internationally supported debt buyback fund, the committee anticipates that this will allow the United States to play a decisive leadership role in leveraging significant contributions from other donors. With an anticipated fund of some $150 million, Costa Rica could retire more than half its commercial bank debt and with an added element of debt relief, restructure, and fully service its remaining debt.

Such an outcome would be a major achievement in the new U.S. global debt strategy and would represent a significant step toward greater stability in Central America, another key U.S. foreign policy objective in the region. The committee strongly urges U.S. banks to help reach a prompt agreement within the bank steering committee on a debt reduction plan mutually acceptable to the banks and the government of Costa Rica. The committee wants it well understood that such a plan is not a bail out for U.S. banks, since the debt would be retired at far below face value. However, U.S. banks should be able to anticipate that non-performing loans would then become performing loans on a restructured basis after all the elements of the debt reduction plan are in place.

Finally, the committee stresses that the availability of this $33 million is not limited just to a U.S. contribution to the debt buyback program, but should be available, under appropriate circumstances, for other debt reduction purposes as well.

U.S. Policy with respect to El Salvador

The committee in authorizing up to $90 million in military assistance for El Salvador is mindful of the fact that a new president has recently been elected and has taken office in El Salvador. The committee takes President Alfredo Cristiani at his word that he is fully committed to ensuring respect for human rights in El Salvador and that he is ready and willing to seek a political settlement to a decade long civil war which has cost the lives of more than 70,000 Salvadorans. The committee wishes to demonstrate its support for the policies articulated by the Cristiani government and therefore has recommended a modest increase in the level of military assistance to El Salvador for the coming fiscal year over the current year level.

The committee decries the increased level of violence in El Salvador over recent months, and believes that leftist guerrillas must assume responsibility for a large measure of such actions. However, the committee is also concerned about reports of increased violence on the part of Salvadoran security forces.

In recommending increased military assistance to El Salvador the committee wishes to demonstrate its support and encouragement for the newly elected government. Such assistance should also be taken as a message to guerrilla leaders that recent tactics of increased urban violence are unacceptable to the United States and are unlikely to achieve the goal of ending armed conflict. Rather, the committee strongly believes that guerrilla leaders should accept the offer by the President of Costa Rica to provide his good offices in the pursuit of a negotiated solution to El Salvador's civil war.

In placing a limitation on military assistance, the committee is also mindful of the past history of certain members of President Cristiani's party—the Nationalist Republican Alliance (ARENA)—who have demonstrated a total disregard for human life in their efforts to achieve their political goals. The committee will closely monitor events in the coming months to ensure that government-sponsored or condoned terrorism does not once again become a way of life in El Salvador. Were this to occur, the committee would reconsider the current policy with respect to the provision of military assistance to the government of El Salvador.

EASTERN MEDITERRANEAN

Cyprus

The committee welcomes the developments in the Eastern Mediterranean over the past year, from the emergence of the Davos process, to the election of President Vassiliou, to the revival of the intercommmunal talks on Cyprus, and believes they offer new hope for the settlement of the Cyprus problem. In the context of these developments, U.N. Secretary General Perez de Cuellar will again meet in September with President George Vassiliou and Turkish Cypriot leader Rauf Denktash as part of the ongoing U.N.-sponsored "intercommunal talks." The committee believes that the U.S. Government, which has pledged its "unwavering support" of the Secretary General's mediation efforts, can play a constructive role in support of the Secretary General's efforts, and urges in the strongest possible terms that the President and the Secretary of State make the resolution of the Cyprus problem a major priority.

PEACE CORPS

The committee considers the Peace Corps one of the most cost-effective investments the United States makes abroad as it strives to achieve world peace and understanding. For more than 27 years, Peace Corps volunteers have promoted international peace and friendship by helping persons in many nations overcome the often harsh circumstances—including malnutrition, lack of clean water, disease, and illiteracy—of their lives. Since the Peace Corps' establishment in 1961, over 130,000 American men and women have served as volunteers in 95 nations around the world.

The committee has thus continued the policy Congress enacted in 1985 in Section 1102 of the International Security and Development Cooperation Act of 1985 to authorize sufficient funding for fiscal year 1990 for the Peace Corps to continue to build, in a phased, programmatically sound manner, toward achieving the goal of a Peace Corps volunteer strength of 10,000.

The section authorizing funds for the Peace Corps, as well as two additional provisions in the committee bill relating to the Peace Corps, were incorporated into the committee bill from S. 683, a bill introduced earlier in the session by Senator Cranston.

MISCELLANEOUS

Report on the Foreign Agricultural Development Programs of the European Community

The committee adopted an amendment offered by Senator McConnell requiring the Secretaries of State and Agriculture to report to the appropriate committees of Congress on the foreign agricultural development programs of the European Community and the potential impact the Europe 1992 plan will have on market access for U.S. agricultural exports. It is the committee's intent that fish products and produce from the sea be considered as agricultural products in the development of this report.

SECTION-BY-SECTION ANALYSIS

TITLE I—MILITARY ASSISTANCE AND SALES AND RELATED PROGRAMS

Section 101—Authorization of Foreign Military Sales Financing

Section 101 amends section 36(a) of the Arms Export Control Act (AECA) to authorize $4,819,318,000 for fiscal year 1990 for the Foreign Military Sales Financing (FMS) program.

Section 102—Terms of Foreign Military Sales Financing

Section 102 amends section 23 of the AECA to provide that all FMS financing be in grant form, and requires that funds provided under section 23 to countries which prior to fiscal year 1990 received military assistance under the grant bilateral assistance MAP program, shall be used only for procurement from the U.S. Government under the terms of the Arms Export Control Act.

Section 103—Assistance for Specific Countries

Section 103 earmarks the following amounts of FMS grant financing for specific countries for fiscal year 1990:

(1) Not less than $1.8 billion for Israel. To the extent requested by Israel and as agreed to by Israel and the United States, credits may be made available for advanced weapon systems, specifically, up to $150 million shall be available for research and development in the U.S., and not less than $400 million shall be available for procurement in Israel of defense articles and services;

(2) Not less than $1.3 billion for Egypt;

(3) Not less than $350 million for Greece;

(4) Not to exceed $500 million for Turkey;

(5) Not less than $125 million for Portugal;

(6) Not less than $200 million for the Philippines;

(7) Not to exceed $90 million for El Salvador; and
(8) Not less than $2 million for the Dominican Republic.

Section 104—Controls on Third Country Transfers

Section 104 amends seciton 3(a) of the Arms Export Control Act regarding third-country transfers to expand applicability beyond defense articles and services sold and leased by the U.S. Government to cover such items sold commerically. This change will ensure that the controls regarding third-country transfers apply to such joint development and joint production arrangements as the FS-X arrangement with Japan. This section further amends section 3(a) of the AECA to provide that no cash sales or deliveries pursuant to previous sales may be made to countries that transfer defense articles without the prior consent of the President or fail to maintain security of the defense items or services.

Section 105—Reports Regarding Sales Program

Section 105 amends section 25(a) of the AECA to repeal the requirement for an annual report on Korean progress in modernizing its armed forces, the role of the United States in mutual security efforts in Korea, and the military balance between the two Koreas, and redesignates paragraphs in the subsection accordingly.

Section 106—Quarterly Reports

Section 106 amends section 36(a) of the Arms Export Control Act (AECA), which requires the President to submit to Congress quarterly information relating to letters of offer to sell major defense equipment for $1 million or more, to permit information contained in these reports to be transmitted in classified form to protect the legitimate security interests of the purchasers. This provision protects by statute information that the committee has already agreed to protect from disclosure by an informal arrangment with the Executive Branch.

Section 107—Projections of Arms Sales

Section 107 amends section 36 of the AECA by striking the requirement that quarterly reports to Congress on foreign military sales include projections (by country and international organization) of sales from DOD stocks and procurement sales expected to be made in the next quarter, and sales expected during the remainder of the fiscal year. These reports replicate information contained in the congressional presentation document required under section 25(a)(2) of the AECA. In addition, the annual Javits report projects sales eligible for approval for the entire year and identifies the particular items to be sold.

Section 108—Report on Arms Sales Procurement Outside the United States

Section 108 amends section 36(a) of the AECA to require that the quarterly reports on arms transfers, required under that section, also include a listing by country of FMS financing used for procurement outside the United States pursuant to section 42(c) of the AECA which prohibits the use of FMS financing for procurement outside the United States unless the President certifies to Congress that the national interest of the United States will be furthered by such procurement or unless specifically authorized by law.

Section 109—Availability of Comparable Defense Articles Outside the United States

Section 109 amends section 36(b)(1) of the AECA to require that any numbered certifications submitted to Congress, required under that subsection, include information on comparable kinds and amounts of defense articles that are available from other countries and to which countries a comparable U.S. system has been offered.

Section 110—Commercial Arms Sales

Section 110 amends section 36(c) of the AECA, relating to the licensing for export of any major defense equipment of $14 million or more or of defense articles or services of $50 million or more, to delete the exception for NATO countries, Japan, Australia, and New Zealand to the prohibition on granting a license if Congress adopts a joint resolution prohibiting the proposed export.

Section 111—Commercial Technical Assistance and Manufacturing Licensing Agreements

Section 111 amends section 36(d) of the AECA to provide for a 30-day period for congressional review and for congressional disapproval by joint resolution under expedited procedures in accordance with Section 601 of the International Security Assistance and Arms Export Control Act of 1976 to any approval of an export license for U.S. commercial technical assistance or manufacturing, unless the President states in his certification that an emergency exists which requires approval of the agreement in the national security interests of the United States.

Section 112—Violation of the AECA and Implementing Regulations

Section 112 amends section 38 of the AECA to make ineligible for FMS financing for one year any commercial contract between a foreign government and a person found through judicial or administrative proceedings to have violated section 38 (Control of Arms Exports and Imports) or section 39 (Fees of Military Sales Agents and Other Payments) of the AECA or their implementing regulations. New subsection (d)(2) sets forth those interests which shall be forfeited by any person convicted of violation of the AECA or its implementing regulations.

Section 113—Biennial Review of the International Traffic in Arms Regulations

Section 113 amends section 38(f) of the AECA to require that within 6 months after enactment of this Act, and at least once every 2 years thereafter, the President review the regulations governing control of exports and imports, including items on the U.S. munitions list, to determine what changes in regulations are appropriate. On the basis of the review, the President must revise the regulations, as necessary.

Section 114—Procurement of Weapons to Defend Aircraft Involved in Narcotics Control Efforts

Section 114 requires that for fiscal year 1990, $1 million of grant MAP be allocated to arm, for defensive purposes, aircraft already in the inventory of the recipient country used in narcotics control eradication or interdiction efforts. Fifteen-day advance congressional notification is required for use of such funds.

Section 115—Military Assistance

Section 115 amends section 504(a)(1) of the Foreign Assistance Act (FAA) to authorize $40,432,000 for the grant Military Assistance Program (MAP) for fiscal year 1990.

Section 116—Waiver of Net Proceeds of Sale

Section 116 amends section 505(f) of the FAA to extend the authority of the President to waive the requirement that proceeds from the sale of Military Assistance Program (MAP) items be returned to the United States. Under current law, the waiver authority applies only to items delivered prior to 1975. This section, which extends the authority to MAP items delivered subsequent to 1975 but prior to 1985, would relieve the host country and Security Assistance Officer (SAO) personnel from the responsibility for annual accounting of old, obsolete, and in many cases nonfunctional equipment items. Since the value of such second-hand items is generally negligible, this initiative will have no budgetary impact for either the Security Assistance Program or the Department of Defense.

Section 117—Fair Pricing

Section 117 amends sections 515(d) and 632(d) of the FAA and sections 21(e) and 43(b) of the AECA to eliminate charges to FMS customers for fixed and sunk costs incurred by DOD. Under this section, FMS purchasers would reimburse DOD only for costs resulting from FMS and not for costs that DOD would incur regardless of the sale. The section (1) waives nonrecurring research, development, and production charges for sales paid for with MAP and military grant financing; (2) eliminates the asset use charge for all sales; (3) eliminates the requirement that security assistance funds authorized under the FAA and the AECA be used to reimburse the military departments for military salaries associated with program administration; and (4) eliminates the requirement in law that security assistance funds be used to reimburse the Treasury for unfunded civilian retirement costs. The charges would increase the FMS buying power of MAP and FMS credit grant recipients during a time of budget limitations. It would also ensure the continued solvency of the FMS administrative fund. Subsection (e) of this section limits the exercise of these amendments to the extent of amounts provided in an appropriation act.

Section 118—Reciprocal Leasing

Section 118 amends section 61(a) of the AECA to extend for an additional year the authority for reciprocal leasing of military articles between Israel and the United States without requirement for monetary reimbursement.

Section 119—Financing Procurement by Commercial Leasing

Section 119 amends section 42 of the AECA to authorize financing to any country which is a member of NATO or a major non-NATO ally for the procurement of defense articles by leasing from U.S. commercial suppliers, if the President determines that there are compelling reasons to do so.

Section 120—Excess Defense Articles for NATO's Southern Flank

Section 120 amends section 516(a) of the FAA to make permanent the authority to transfer excess defense articles to NATO southern flank countries (Greece, Italy, Portugal, Spain, and Turkey) and to major non-NATO allies on the southern and southeastern flank (Israel and Egypt). This section deletes the requirement in current law under section 516 that such countries be integrated into NATO's military structure. It further requires the President to report to Congress by February 1 of each year on the number and items of excess defense articles most likely to be provided to eligible countries during that year and the number and items of defense articles actually provided during the preceding year. This section also states congressional intent that excess defense articles are to be made available in a manner consistent with the policy established in section 620(C) of the FAA relating to maintenance of balance in the Mediterranean, that is, the ratio of the value of excess defense articles provided to Turkey to the value of excess defense articles provided to Greece shall approximate the ratio of military assistance provided those two countries.

Section 121—Location of Stockpiles

Section 121 amends section 514(c) of the FAA to extend the authority under that section to establish stockpiles consisting of U.S. Government-titled munitions available for possible use by the armed forces of either the United States or a foreign country to countries designated as major non-NATO allies.

Section 122—International Military Education and Training

Section 122 amends section 542 of the FAA to authorize $54.5 million for fiscal year 1990 for International Military Education and Training (IMET).

Section 123—Training for Narcotics Control Activities

Section 123(a) requires that not less than $2 million of funds available under the IMET program for fiscal year 1990 be used for education and training in the operation and maintenance of equipment used in narcotics interdiction and eradication programs in certain specified countries in Latin America and the Caribbean, and, upon the request of an eligible government, for costs of deploying DOD mobile training teams in that foreign country to conduct training to enhance that country's tactical operation in narcotics interdiction.

Section 123(b) limits eligibility for assistance under this section to foreign law enforcement agencies or other units that are organized for the specific purpose of narcotics enforcement.

Section 123(c) limits eligibility for assistance under this section to countries which are major drug-producing or drug-transiting countries, as defined under section 481(i) of the FAA, which have democratic governments, and whose law enforcement agencies do not engage in a consistent pattern of gross violations of human rights.

Section 123(d) requires that assistance under this section be coordinated with assistance provided under chapter 8 of part I of the FAA, relating to international narcotics control.

Section 123(e) waives the prohibition on assistance for police training contained in section 660 of the FAA for purposes of this section.

Section 124—Peacekeeping Operations

Section 124 amends section 552(a) of the FAA to authorize $33.377 million for fiscal year 1990 for peacekeeping operations.

Section 125—Antiterrorism Assistance

Section 125(a) amends section 575(a) of the FAA to authorize $9.84 million for fiscal year 1990 for antiterrorism assistance.

Subsections (b) and (c) broaden the authorities for antiterrorism training to permit specified training to be conducted outside the United States and to permit the Bureau of Diplomatic Security of the Department of State to provide training in additional subjects to foreign law enforcement personnel.

Section 126—Uncommitted FMS Credits for the Philippines

Section 126 provides authority to expend not to exceed $29.4 million in presently uncommitted prior year FMS credits issued for the Philippines without requirement of repayment of principal or interest. This provision fulfills a commitment made by the United States to the Philippines during the review of the military bases agreement, which was successfully concluded in the fall of 1988.

Section 127—Periodic Reports Regarding Activities on Cyprus of Turkish Armed Forces

Section 127 amends section 620C(c) of the FAA to require that the existing 60-day report on progress made toward the conclusion of a negotiated solution of the Cyprus problem also include the number of Turkish troops on Cyprus and any United States defense articles on Cyprus during the preceding 60-day reporting period.

Section 128—Prohibition on Sales Involving Depleted Uranium and Designation of Major Non-NATO Allies

Section 128 amends chapter 4 of the AECA to include new sections 44 and 45. New section 44(a) prohibits sales of any M–833 antitank shells or any comparable antitank shells containing a depleted uranium penetrator component. New section 44(b) exempts from the prohibition in subsection (a) any NATO country, any major non-NATO ally, and Pakistan.

New section 45 sets forth procedures for designating a country as a major non-NATO ally. Subsection (a) requires that the President notify Congress in writing 30 days prior to making any such designation or terminating any such designation. Subsection (b) deems Australia, Egypt, Israel, Japan, the Republic of Korea, and the

Philippines as having been so designated upon enactment of this section, and relieves the President of the notification required in subsection (a) for these specified countries.

Section 129—Definition of Major Non-NATO Ally

Section 129 amends section 49 of the AECA to define the term "major non-NATO ally" by referencing new section 45 of the AECA, as amended by this act. This section further makes conforming amendments to the AECA.

Section 130—Conditions Regarding Retransfer by China of Military Items Provided by the United States

Section 130 prohibits the sale or licensing under the AECA of any item on the U.S. Munitions list to the People's Republic of China unless the President has certified to Congress that no U.S. defense items or technology have been used by China during the previous year in certain missiles, aircraft, or technology related thereto, that China has not transferred any such missiles, aircraft, or technology to Iran, Iraq, Syria, or Libya, that no chemical weapons and that no materials, equipment or technology intended for use in nuclear devices have been transferred during the previous year by China to any such countries.

Section 131—Policy Toward Use of Retirees for Military Training and Education Purposes

Section 131 expresses the sense of Congress that the Director of the Defense Security Assistance Agency (DSAA) should support the use of U.S. civilian and military retirees for the purposes of providing military education and training to eligible foreign governments under FMS cases, where such training is of comparable quality and below costs of similar training provided by U.S. military departments.

Section 132—Report on United States Commitments

Section 132 requires the Secretary of State, in coordination with the Secretary of Defense, to review and report to the Senate Foreign Relations Committee and the House Foreign Affairs Committee not later than 1 year after the date of enactment of this act on U.S. security commitments abroad.

TITLE II—ECONOMIC SUPPORT FUND

Section 201—Authorization

Section 201 amends section 532(a) of the FAA to authorize $3.361 billion for fiscal year 1990 for the Economic Support Fund.

Section 202—Assistance for Specific Countries

Section 202 includes the following country earmarks for fiscal year 1990:

(1) $1.2 billion for Israel, all of which shall be provided as a cash transfer on a grant basis and on an expedited basis;

(2) $815 million for Egypt, on a grant basis, not more than $115 million of which may be provided as a cash transfer contingent on the undertaking of additional economic reforms;

(3) $7 million for Middle East regional cooperative programs;

(4) $15 million for Cyprus;

(5) $50 million for Portugal;

(6) $250 million for Pakistan;

(7) $20 million for the International Fund for Ireland;

(8) $440 million for the Central American democracies, not less than $90 million of which shall be for Costa Rica, of that $90 million, up to $33 million shall be available as a United States contribution to Costa Rica's debt reduction program.

Section 203—Economic Support Fund Assistance for Sub-Saharan Africa

Section 203 earmarks $87.75 million of ESF funds for sub-Saharan Africa.

Section 204—Restriction on Use of Funds for Nuclear Facilities

Section 204 prohibits the use of ESF funds to finance construction, operation, or maintenance of any nuclear facility or the supplying of fuel for any such facility in a foreign country unless the President certifies to Congress that the country is a signatory to nonproliferation treaties, cooperates with the International Atomic Energy Agency, and pursues nonproliferation policies consistent with such U.S. policies.

Section 205—Purchase of U.S. Goods and Services

Section 205 adds a new section 536 to chapter 4 of part II of the FAA, requiring that foreign assistance provided as cash transfers, or an equivalent amount, be used by the recipient country to purchase U.S. goods and services. This provision places cash transfers under the same requirements that apply to commodity import programs also financed with ESF.

New section 536(a) authorizes foreign assistance in the form of cash transfers on the condition that the President determines that such cash transfer assistance better meets the interest of the United States and the needs of the recipient country.

New section 536(b) requires that before cash transfer assistance can be provided, the recipient country must enter into an agreement with the United States by which the recipient agrees to spend the cash transferred, or an equivalent amount, to purchase U.S. goods and services as defined in subsection (f). Subsection (b) also makes clear that U.S. goods purchased pursuant to such an agreement are covered by U.S. cargo preference laws which require that 50 percent of all shipments of U.S. goods be carried on privately owned U.S.-flag commercial vessels, to the extent available at fair and reasonable rates.

New section 536(c) requires each agreement referred to in subsection (b) and subsection (d)(3) to contain a provision ensuring representatives of the Comptroller General access to the records and personnel necessary to carry out any monitoring and auditing deemed appropriate by the Comptroller General.

New section 536(d) exempts any country which receives less than $10 million in cash transfer assistance in a single fiscal year from the requirements of this section during that fiscal year. The committee intends, through this language, to ensure that the smallest, and in some instances neediest, recipients of cash transfer assistance are able to use U.S. aid for local projects, development, purchases, and balance-of-payments requirements without restriction.

New section 536(d) further exempts from the requirements of this section any country which, as of April 1, 1987, was receiving cash transfer assistance and had previously agreed to spend that assistance, or an equivalent amount, on the purchase of U.S. goods and services, and to carry at least 50 percent of all bulk shipments of U.S. grain in qualified U.S.-flag vessels to the extent available at fair and reasonable rates. This exemption is only available as long as that country agrees to maintain the conditions in its current agreement.

This subsection also encourages recipients of cash transfer assistance to enter into early agreement regarding the purchase of U.S. goods and services as required in subsection (b). The committee intends, through this provision to further demonstrate its position that U.S. cash transfer assistance be used to purchase U.S. goods and services and to ensure the smoothest transition for recipient countries from the current method to that set out in this section.

New section 536(e) authorizes a waiver of the conditions in subsection (b) of this section by the President with respect to a country if the President determines it is important to the national interest to do so. It is the intent of the committee that the President's waiver authority be exercised only in conjunction with a detailed justification for such waiver—including the harm which would otherwise accrue to U.S. interests—which is to be provided the Congress.

New section 536(f) defines "U.S. goods" for the purposes of this section as including all goods and commodities grown, produced, or manufactured in the United States, including agricultural commodities.

TITLE III—DEVELOPMENT ASSISTANCE

Section 301—Principal Goals of Foreign Assistance Act

Section 301 amends section 101 of the FAA to include promotion of environmentally sustainable patterns of development in the principal goals of the Foreign Assistance Act, and to more broadly focus upon political, social, and economic pluralism as one of the four principal goals of the act.

Section 302—Agricultural, Rural Development, and Nutrition

Section 302 amends section 103(a)(2) of the FAA to authorize $508.589 million for fiscal year 1990 to carry out agriculture, rural development, and nutrition programs.

Section 303—Child Survival Fund

Section 303 amends section 104(a)(2) of the FAA to authorize $72.225 million for fiscal year 1990 to carry out programs under the Child Survival Fund, and to provide that, except as otherwise provided in section 104 of the FAA, assistance under 104(c)(2) may be made available notwithstanding any other provision of the FAA, other than subsections (a), (f), and (t) of section 620 and section 620A or any other act.

Section 304—Population and Health

Section 304(a) amends section 104(g)(1) of the FAA to authorize $201.899 million for fiscal year 1990 to population planning programs and $124.908 million for fiscal year 1990 for health programs.

Section 304(b) amends section 104(b) of the FAA by adding a requirement that in determining eligibility for assistance under section 104, the AID Administrator shall not subject nongovernmental and multilateral organizations to requirements more restrictive than those applied to foreign governments.

Section 304(c) amends section 104(d) of the FAA by adding a requirement that assistance under the FAA not be conditioned on the acceptance by any government or entity of population planning assistance or any particular program of population planning.

Section 305—International AIDS Prevention and Control

Section 305 amends section 104 of the FAA to add a new subsection (d) authorizing the President to furnish assistance, on such terms and conditions as he may determine, for prevention and control of the Acquired Immune Deficiency Syndrome ("AIDS"). This includes the authority to collect and disseminate information on the spread of AIDS and its economic and developmental effects. In carrying out the purposes of this section. AID is directed to seek to ensure adequate coordination with other federal agencies, international organizations, and private and voluntary organizations ("PVO's"). Assistance activities pursuant to this new subsection are directed to include support for appropriate activities carried out by international organizations, including such organizations receiving funds under chapter 3 of Part I of the FAA ("International Organizations and Programs"), and PVO's.

$42 million is authorized to be appropriated for International AIDS Prevention and Control Programs for fiscal year 1990, to be made available notwithstanding any other provision of law. Of the amounts authorized to be appropriated, not less than $25.5 million is to be provided to the WHO for its Global Program on AIDS, the same amount earmarked for the WHO by the current appropriation. An exception to this WHO earmark is included should the WHO accord the PLO the same standing as member states. Subsections (d) through (g) of section 104 of the FAA are redesignated to reflect the addition of the new subsection (d).

Section 306—Education and Human Resources Development

Section 306(a) amends section 105(a) of the FAA to authorize $132.132 million for fiscal year 1990 for Education and Human Resource Development programs.

Subsection (b) authorizes a new Global Education Enhancement Program to reduce illiteracy, extend basic education, and to increase manpower training skills related to development in developing countries, and earmarks 30 percent of funds available under section 105 for such Global Education Enhancement Program, beginning in fiscal year 1991.

Section 307—Private Sector, Energy, and Private and Voluntary Organizations

Section 307 amends section 106(e)(1) of the FAA to authorize $132.123 million for fiscal year 1990, for programs involving the private sector, energy, and private and voluntary organizations.

Section 308—Private Sector Revolving Fund and Guaranty Authority

Section 308 amends section 108(b) of the FAA to authorize the deposit of $5 million in the Private Sector Revolving Fund.

Section 309—Waiver of Restriction on Assistance for Protection of Wildlife

Section 309 amends section 119(b) of the FAA to waive the prohibition in section 660 of the act, relating to police training, as it applies to existing authority in section 119 to provide assistance to law enforcement forces for the purpose of enforcing antipoaching measures, such as procurement of helicopters, motor vehicles and communications equipment and technical advice. This section is intended to expand existing authority to provide comprehensive protection for natural resources, including biological diversity, tropical forests, coastal resources, wildlife habitats and plant life.

Section 310—Women in Development

Section 310 amends section 113 of the FAA to require the AID Administrator to seek to ensure that (1) development assistance programs, projects and activities incorporate participation of local women and women's organizations in each phase of the activity; (2) sex-disaggregated data is collected and maintained for all development activities; (3) country strategies, and where appropriate, programs, projects and activities are designed so that the percentage of women receiving assistance under each strategy, program, project, or activity is proportional to women's participation in the program; (4) when such proportionality cannot be achieved, the reasons for failure and steps necessary to achieve such proportionality are identified; and (5) project and program evaluations include an assessment of the integration of women into the development process and the impact of the project or program on enhancing the self-reliance of women and improving their incomes.

Section 311—Private and Voluntary Organizations and Cooperatives

Section 311 amends section 123 of the FAA to add seven new subsections, (b) through (h) to Section 123 of the Foreign Assistance Act relating to private and voluntary organizations (PVO's) and cooperatives.

New Section 123(b) directs the AID Administrator to increase the involvement of PVO's in development assistance programs, including increased consultation with and direct funding through such organizations.

New Section 123(c) encourages AID to support public education on development issues, the Biden-Pell program.

New Section 123(d) encourages AID to utilize more fully private indigenous organizations.

New Section 123(e) directs AID to undertake a more aggressive program for involving PVO's in activities funded under local currencies.

New Section 123(f) authorizes up to $20 million from the aggregate of the development assistance and ESF accounts to expand food assistance for the poor in developing countries through U.S. agricultural commodities.

New section 123(g) authorizes assistance to PVO's to carry out natural resource conservation development projects, training, and education programs. Particular projects, training, and education programs. Particular emphasis is placed on agricultural and rural development projects which use environmentally sound land and water management technologies.

New section 123(h) authorizes up to $20 million (or an equivalent amount in local currencies) to establish a grant program for PVO's to use in financing small loan activities of indigenous PVO's.

Subsection (b) amends section 123(m) of the Foreign Assistance Act, as redesignated by this bill, to increase the PVO funding floor from 13½ percent to 15 percent, and to increase the target goal for PVO funding from 16 to 25 percent. As under current law, funds made available to PVO's under the Economic Support Fund may be included in calculating the floor and target of support.

Subsection (c) denies assistance under this part to any U.S. PVO, other than a cooperative development organization which obtains less than 20 percent of its total annual funding for international activities from non-U.S. Government sources.

Section 312—Centers for Voluntary Cooperation and University Cooperation in Development

Section 312 amends chapter 2 of part III of the FAA to establish two new centers within AID.

New section 640D establishes within AID a Center for Voluntary Cooperation in Development, the purpose of which is to strengthen the existing partnership for development between the U.S. Government and PVO's, cooperatives, and credit unions.

New section 640D(c) sets forth the functions of the center as follows: (1) to participate in development of policies for all AID programs involving PVO's, cooperatives, and credit unions; (2) to solicit proposals developed by PVO's, cooperatives and credit unions; (3) to develop specific program policies for programs supported through the center; (4) to administer comprehensive grant programs in support of long-term, worldwide programs of PVO's, cooperatives, and credit unions; and (5) to work to assure that the government/PVO partnership does not compromise the private and independent nature of PVO's.

New section 640D(d) specifies that the center shall be headed by a Director, appointed by the AID Administrator, who shall report directly to the Administrator.

New section 640D(e) creates an advisory board to the center which shall: (1) develop policy and procedural recommendations for programs within the center's purview; (2) assess the effectiveness of PVO's, cooperatives, and credit unions; (3) encourage support for PVO's through AID programs at the regional and country level. This subsection further specifies that the advisory board shall have

10 members appointed by the President who are from PVO's, cooperatives and credit unions eligible to participate in programs under the FAA and who have expertise and experience in programs operated by PVO's, cooperative, and credit unions.

New section 640E establishes a Center for University Cooperation in Development, the purpose of which is to strengthen the existing partnership between the U.S. Government and public and private institutions of higher education engaged in education, research, and public service programs relative to development.

New section 640E(c) sets forth the functions of the center as follows: (1) to participate in planning, developing and implementing AID's programs involving public and private colleges and universities; (2) to develop basic policies for support of education, research and development programs involving U.S. and foreign colleges and universities; and (3) to develop and administer education, research, and development programs involving higher education.

New section 640E(d) requires that the center be headed by a Director appointed by the Administrator, who shall report directly to the Administrator.

New section 640E(e) establishes a 10-member Presidentially appointed advisory board to: (1) develop recommendations for programs administered by the center; (2) assess existing higher education programs related to development; and (3) encourage support for higher educational institutions through AID at the regional and country levels.

TITLE IV—OTHER ASSISTANCE PROGRAMS AND AUTHORIZATIONS

Section 401—American Schools and Hospitals Abroad

Section 401 amends section 214(c) of the FAA to authorize $44 million for fiscal year 1990 for the American Schools and Hospitals Abroad program.

Section 402—Housing and Other Credit Guaranty Programs

Section 402(a) amends section 222(a) of the FAA to authorize housing guaranties through September 30, 1991.

Section 402(b) amends section 223(b) of the FAA to include administrative and operating expenses of urban programs among the expenses that may be covered by housing guaranty fee income.

Section 402(c) amends section 223(e) of the FAA to raise the ceiling on the borrowed amount that may be outstanding at any one time to meet obligations incurred to pay claims arising in connection with loan guaranties described in section 223(d) of the act from $100 to $200 million.

Section 402(d) amends section 223(j) of the FAA to raise the annual per country ceiling on housing guaranties from $25 to $50 million and to eliminate the requirement that the average face value of guaranties not exceed $15 million in any fiscal year.

Section 402—Trade Credit Insurance Program

Section 403 amends section 224 of the FAA to permit guarantee commitments under the Trade Credit Insurance Program (TCIP) through September 30, 1992. During fiscal year 1990, commitments entered to guaranty or insure loans under this program may not exceed $200 million of contingent liability for loan principle, subject to amounts provided for in an appropriations act.

Section 404—Voluntary Contributions to International Organizations and Programs

Section 404 amends section 302(a)(1) of the FAA to authorize $257.415 million for fiscal year 1990 for voluntary contributions to international organizations and programs and earmarks funds for the following UN agencies in fiscal year 1990:

$120 million for the United Nations Development Program (UNDP);

$60.4 million for the United Nations Children's Fund (UNICEF);

$17 million for the United Nations Environment Program (UNEP);

$1 million for the United Nations Development Fund for Women (UNIFEM); and

$16 million for the United Nations Afghanistan Emergency Trust Fund.

The Committee supports the United Nations efforts to provide relief and assistance to the Afghan people as they begin to return to their homes and rebuild their lives and country following the Soviet occupation through the establishment of this emergency trust fund. Although the Trust Fund program and projects are still being defined and developed, the Committee believes the importance of this effort is such that an earmark for the fund is warranted. The committee encourages the Special Co-ordinator to ensure that the fund's programs are closely coordinated with the Afghan Interim Government. The Committee will monitor closely the emerging programs to assure that they are appropriate and make the best use of the scarce resources available.

Section 404(b) amends section 302(a) of FAA to place in permanent law a condition on the U.S. contribution to the IAEA of a determination by the Secretary of State that Israel is being allowed to participate in the activities of the agency.

Section 404(c) amends section 308 to the FAA to require suspension of United States participation in, and contributions to, any agency or organ of the U.N. if Israel is illegally expelled, suspended, denied its credentials, or denied its right to participate in such agency or organ of the U.N.

Section 405—International Disaster Assistance

Section 405 amends section 492(a) of the FAA to authorize $25 million for fiscal year 1990 for international disaster assistance.

Section 406—International Narcotics Matters

Section 406 amends section 482(a) of the FAA to authorize $101 million for fiscal year 1990 for International Narcotics Matters.

Section 407—Administration of Justice

Section 407(a) amends section 534(a) of the FAA to authorize eligibility to the Philippines under the Administration of Justice program.

Section 407(b) amends section 534(e) of the FAA to extend authority for the Administration of Justice Program through fiscal year 1990.

Section 408—Scope of Prohibition on Police Training

Section 408 amends section 660(c) of the FAA to broaden the existing exemption from the prohibition on assistance for police training to include assistance to police forces related to their participation in the regional security system of the Eastern Caribbean States. This section provides authority for the police forces in Antigua and Barbados only for their participation in the regional security system of the Eastern Caribbean States.

Section 409—Trade and Development Program

Section 409 amends section 661(d) of the FAA to authorize $25 million for fiscal year 1990 for the Trade and Development Program, to remain available until expended.

Section 410—Operating Expenses

Section 410 authorizes $435.1 million for operating expenses for AID.

Section 411—Operating Expenses, Office of the Inspector General

Section 411 amends the FAA by adding a new section 668 to authorize a separate appropriation for the operating expenses of AID's Office of the Inspector General, and authorizes $30 million for this purpose for fiscal year 1990. New section 668 also authorizes the appropriation of such additional amounts as may be necessary for increases in salary, pay retirement and other employee benefits authorized by law, and for other nondiscretionary costs of such office. All amounts appropriate under the new section are authorized to remain available until expended.

TITLE V—EAST ASIA AND THE PACIFIC

Section 501—Assistance to the Philippines

Section 501 designates this title as the "Multilateral Assistance Initiative for the Philippines Act of 1989."

Section 502—Miltilateral Assistance Initiative for the Philippines

Section 502 amends part I of the FAA to add a new chapter 7 authorizing the multilateral assistance initiative for the Philippines.

New section 471 contains the policy framework within which the economic assistance program will operate. Among other things, section 471 states the need for a multiyear and multilateral approach to address the economic problems confronting the Philippines, with the Government of the Philippines primarily responsible for the development of the policy framework within which donor assistance will be provided.

New section 472 contains several examples of the kinds of assistance programs it is anticiapted that the U.S. assistance effort will support. Additionally, in recognition of the importance of economic reform to the success of the miltidonor program, the provision of assistance is linked to progress by the Government of the Philippines in the implementation of its reform program and the implementation of sustainable natural resource management programs.

New section 473 provides for an annual report to the Congress concerning progress being made in the multidonor program.

New section 474 authorizes the appropriation of $1 billion over the life of the program, limiting to $200 million the directed to take all steps practicable to assure that appropriate support is given to environmental restoration and sustainable natural resource management in allocating funds authorized under this chapter. Funds appropriated for fiscal year 1990 may not be made available unless the President has received a Government of the Philippines proposal (acceptable to major donors and appropriate representatives of multilateral financial institutions participating in the program) which sets forth the overall framework of macroeconomic, administrative, and structural reforms, and voluntary debt reduction programs under appropriate circumstances, which the multilateral assistance program is designed to support.

New section 475 expresses the sense of the Congress that a critical element in the success of the multilateral program will be the willingness and ability of the bilateral donors, the multilateral financial institutions, and the Government of the Philippines to coordinate their activities effectively.

TITLE VI—NEAR EAST AND SOUTH ASIA

Section 601—Democracy in Pakistan

Section 601 amends section 620E of the FAA to state the policy of the United States with respect to Pakistan. This change is necessary because of the transition in Pakistan to a democratic government and because of developments in Afghanistan.

Section 602—Extension of Waiver Authority

Section 602 amends section 620E(d) of the FAA to extend the current national interest waiver authority for Pakistan to September 30, 1994.

Section 603—Assistance for Afghanistan

Section 603 amends section 904 of the International Security and Development Cooperation Act of 1985 to authorize the use of DA or ESF funds for the provision of food, medicine, or other humaintarian assistance for the Afghan people and earmarks, $80 million for each fiscal year for such purpose.

TITLE VII—MIDDLE EAST

Section 701—Foreign Military Sales for Jordan

Section 701 sets forth Congressional policy with regard to arms sales to Jordan.

Section 702—Stinger Missiles in the Persian Gulf

Section 702 makes permanent a prohibition on providing Stinger anti-aircraft missiles to Persian Gulf nations with the exceptions of Bahrain and Oman, which may be provided Stinger missiles if certain conditions are met. This section further prohibits the sale of any defense articles or defense services to Qatar until the President notifies the Senate Foreign Relations Committee and the House Foreign Affairs Committee that Qatar has returned to the U.S. all Stinger missiles it has obtained illegally.

Section 703—Conventional Arms Transfers to the Middle East

Section 703 requires the President to provide a detailed justification of proposed transfers of fighter and attack aircraft, tanks, missiles, rockets, and air defense systems in current production to countries in the Middle East. In addition, this section requires an annual report analyzing the Middle East arms balance. This section also expresses the concern of the Congress regarding the proliferation of sophisticated and deadly weapons in the Middle East and urges the President's attention to the problem.

Section 704—Human Rights Violations in Iraqi Kurdistan

Section 704 sets forth Congressional findings regarding human rights abuses by the Government of Iraq against its Kurdish minority. The Secretary of State is required to make a determination in the affirmative or negative as to whether Iraq's conduct toward its Kurdish minority constitutes "a consistent pattern of gross violations of internationally recognized human rights," a term taken from section 116 of the Foreign Assistance Act. The Secretary of State is required to report the determination to the Congress together with actions taken pursuant to U.S. human rights law if the determination is in the affirmative.

Section 705—Cooperative Development Program

Section 705 earmarks $5 million for fiscal year 1990 of development assistance funds for cooperative projects among the United States, Israel and developing countries. The Committee urges AID to provide assistance to the Republic of Cape Verde to defray one-half the estimated cost for machinery, installation, and operational training of the Seawater Desalinization Plant proposal for Sal Island by the Israel Desalinization Engineering (IDE) Company, and to encourage other cooperative technology transfer and technical training endeavors between Cape Verde and Israel.

Section 706—Cooperative Development Research

Section 706 earmarks $2.5 million for fiscal year 1990 of development assistance funds for the cooperative development research program of scientific exchange among Israeli and developing country scientists.

Section 707—Policy on Lebanon

Section 707 expresses the sense of Congress that the President should be commended for his call for an immediate cease fire in Lebanon, and that those unwilling to agree to such a cease fire be condemned; that the President should continue to take steps to end the civil strife in Lebanon; that the President should support international efforts to end all military and paramilitary blockages, particularly Syrian blockades; and that the U.S. should provide maximum funding for PVO humanitarian assistance efforts in Lebanon.

TITLE VIII—AFRICA

Part A—Africa Famine Recovery and Development

Section 801—Short title

Section 801 designates part A of Title VIII of the committee bill as the "Africa Famine Recovery and Development Act".

Section 802—Africa Famine Recovery and Development

Section 802 amends the Foreign Assistance Act of 1961 by creating a new chapter, 10, dealing with famine recovery and development in sub-Saharan Africa. Chapter 10 authorizes $565 million for fiscal year 1990 for development assistance for sub-Saharan Africa. The purpose of assistance is to help the poor majority participate in a process of long-term development through economic growth that is equitable, participatory, environmentally sustainable, and self-reliant.

The Agency for International Development (AID) is directed to take into account the local-level perspectives of the rural and urban poor, including women, during the planning process for project and program assistance and to increase the involvement of these groups in local-level projects. To gain local-level perspectives, AID shall consult closely with local people and African, American and other private and voluntary organizations. Chaper 10 also mandates that AID make funds available to strengthen the development efforts of private and voluntary organizations in Africa.

The committee believes that successful development can occur only if Africans are active participants in the process. The committee recognizes that AID has engaged in a degree of consultation with African and American private and voluntary organizations in shaping United States aid strategies for Africa. The committee urges AID to maximize it effort at consultation particularly with African private and voluntary organizations and grass roots groups including women's groups in Africa in order that indigenous perspectives are factored into the assistance process. The committee expects AID to increase its efforts to involve Africans, particularly African women, in local-level projects.

The committee believes that private and voluntary organizations make an important contribution to the development process in Africa. The committee expects AID to strengthen these organizations as needed.

Chapter 10 identifies five critical sector priorities for long-term development—i.e. agricultural production and natural resources, health, voluntary family planning services, education, and income-generating opportunities. AID is directed to target the equivalent of not less than 10 percent of the amounts authorized under this chapter for each of the following three critical sectors: natural resources, health, and voluntary family planning. Assistance to promote economic policy reforms designed to support the critical sector priorities must protect vulnerable groups and long-term environmental interests. Under the provisions of chapter 10, AID is to utilize the capabilities and expertise of U.S. institutions of higher education when providing support for the strengthening and development of African universities.

The committee recognizes that assistance for economic policy reforms, particularly in the critical sectors such as agriculture, is an important element of successful development. However, macroeconomic reform can cause an undue burden on vulnerable groups such as the urban poor. The committee believes that it is essential to provide protection for these groups when assisting policy reforms. The committee understands that drought or other natural disasters could undermine the potential for successful policy reform. In such cases, the commitee expects that adjustments will be made when providing assistance for policy reform.

The committee recognizes the important role that indigenous institutions of higher learning can play in the building of human resources for development and in developing the critical agricultural sector. Therefore, the committee urges AID to place priority on the development of African land-grant-type universities for teaching, research, and extension activities as a means of addressing Africa's problems of food production and distribution. In undertaking this effort, the committee urges AID to work closely with American universities, particularly those that have experience in dealing with African institutions of higher education.

Section 803—Reports to Congress

This section requires AID to report on selected activities mandated under chapter 10 including the nature and extent of consultation to ensure local perspectives, the degree of involvement of local people including women in local projects, assistance provided to strengthen private and voluntary organizations, and the assistance for critical sector priorities as part of its annual congressional presentation document.

The committee regards these reporting requirements as critical to its ability to evaluate the effectiveness of the Development Fund for Africa and the extent to which the guidelines for the Fund are being followed by AID.

Section 804—African Development Foundation

Section 804 amends section 510 of the African Development Foundation Act to authorize $9 million for fiscal year 1990 for the African Development Foundation. This section also amends section 507 of the African Development Foundation Act to require that no more than four members of the Board of Directors be from the same political party, that appointments to the Board be made within 6 months of the expiration of each Board term, and to make the authority of the Foundation permanent.

The Board is composed of seven members appointed by the President with the advice and consent of the Senate. The amendment made by this section, which is supported by the President of the Foundation, is intended to demonstrate bipartisan support for the Foundation and to allow the Foundation to represent and benefit from a wide range of views.

The amended authorization for the Foundation is in accordance with a recommendation made by the Office of Technology Assessment in its 1988 review of the Foundation. After 5 years of operation, the Foundation has become a viable mechanism for promoting grass roots development in Africa.

Section 805—United States Trade Restrictions on Products from Sub-Saharan Africa

Section 805 expresses the sense of the Congress that trade barriers between the United States and sub-Saharan Africa should be reduced and economic interchange encouraged and that efforts should be made to establish a guaranteed minimum level of sugar imports, within the present world quota, for sub-Saharan African countries exporting to the United States.

Through this section the committee intends to help focus attention on the impact of the U.S. sugar quota program on sub-Saharan African countries. The committee does not intend to impact adversely on the problems faced by the CBI (Caribbean Basin Initiative) countries and the Philippines but rather to include Africa in the assessments of the overall effect of the U.S. sugar quota program.

As a group, the African countries, of all the 39 countries included in the U.S. sugar program, are the least developed and most dependent upon sugar exports as a source of foreign exchange. Many of these African countries are trying to diversify their economies. In the interim, however, they have suffered severe economic dislocation since the imposition of the U.S. sugar quota program in 1982. For example, Mauritius' sugar imports decreased from 100,000 tons prior to the imposition of the U.S. sugar quota program to 8400 tons in 1989—a 90 percent reduction. Before the 1988 quota period, the sub-Saharan African sugar exporters suffered severe reductions in their sugar exporting quota. The increase in the quota between 1988 and 1989 has provided some significant relief. The committees believes that a guaranteed minimum, within the worldwide quota, will help to ensure that the sub-Saharan African countries do not suffer severe cuts in their quotas and to stabilize the impact of the quota program on their economies.

Part B—Other Provisions Relating to Sub-Saharan Africa

Section 806—Support for the Southern Africa Development Coordination Conference

Section 806 earmarks $50 million of the amount authorized for development assistance for sub-Saharan Africa under section 802 of the committee bill for the Southern Africa Development Coordination Conference (SADCC). This section also urges the President to use diplomatic means to protect the security of SADCC projects from external attack and urges the South African Government to refrain from aggression across its borders.

The committee believes that peace and stability in southern Africa can be fostered through the economic development of the SADCC states. A key element of that development is the rehabilitation of transportation links and port facilities, particularly in Mozambique. The World Bank recently determined that Mozambique urgently needs fifteen new locomotives and recommended that it should continue to standardize on locomotives of a North American design, either General Electric or General Motors. Japan has agreed to finance 5 of these (G.E.) and Canada has tentatively offered to finance the remaining 10 (G.E. or G.M.). In the event that

Canadian resources are not available, the committee strongly urges AID to provide assistance for the procurement of the 10 locomotives.

Section 807—Assistance for Disadvantaged South Africans

Section 807 amends section 117 of the 1961 FAA by deleting the names of specific organizations that should be assisted.

In view of the South African Government's threat to cut off foreign assistance to anti-apartheid organizations, the organizations listed in current U.S. law have come under increasing pressure. This amendment is intended to ameliorate that situation by reducing their visibility.

Section 808—United States Policy toward Kenya

Section 808 mandates that Economic Support Fund (ESF) assistance and foreign military sales financing (FMS) for Kenya bear a relation to improvements in the human rights area and that relevant congressional committees be notified 15 days prior to each obligation of funds.

The committee recognizes that Kenya has been an important friend and ally in Africa. The committee welcomes the positive developments taken in the human rights area over the past year, such as the recent release of political prisoners and the progress in addressing the issue of torture by the police. However, the committee remains concerned about continuing intimidation. harassment, and detention of government critics; constitutional amendments lengthening the period of incommunicado detention and affecting the removal of judges; and censure of the press. The committee fears that these and other developments constitute a negative trend in the human rights area which could ultimately undermine Kenya's stability and our mutual commitment to democratic rights and freedoms.

Section 809—Assistance for Liberia

Section 809 prohibits ESF and FMS for Liberia pending a Presidential determination that economic and political reforms have been made. An exemption is provided for the use of ESF for basic education projects and for assistance to private and voluntary organizations. Section 809 also requires notification to relevant congressional committees prior to each obligation of funds.

Section 809 is similar to current law except that it allows ESF to be furnished to private and voluntary organizations and for basic education projects. The exemption for private and voluntary organizations reflects the recommendation of the February 1989 report submitted by seventeen outside financial management experts sent by AID to Liberia in 1987 and 1988 at the request of the Liberian Government. The experts concluded that the Government of Liberia is not committed at the highest level to the objectives of reform and recovery and, therefore, that fiscal mismanagement will continue in Liberia.

Section 810—Assistance for Somalia

Section 810 directs the President to take into account whether the Government of Somalia has demonstrated increased respect for human rights and made progress toward a political settlement of the conflict in northern Somalia and reconcilation when furnishing ESF and FMS to Somalia. This section also mandates that the relevant congressional committees be notified 15 days prior to each obligation of funds.

Section 810 is intended to signal the committee's concern about the continuation of the conflict in northern Somalia and the urgent need for a negotiated political settlement. The committee recognizes and welcomes the positive steps taken in recent months by the Government of Somalia toward national reconciliation such as releasing some 300 political prisoners and the formation of a national commission to consider peaceful ways to end the conflict. However, the committee believes that a greater effort needs to be made toward this end.

Section 811—Assistance for Sudan

Section 811 divides ESF and FMS for Sudan into two equal tranches and conditions obligation of the second tranche to a Presidential determination relating to relief efforts, movement away from Libya, and progress toward peace. ESF for disaster and other forms of humanitarian assistance is exempt. Section 811 requires that relevant congressional committees be notified 15 days prior to each obligation of funds.

The recent military coup in Sudan has brought a new government to power. The committee hopes that this government will recognize the urgency of ending the war in southern Sudan through peaceful means and provide maximum assistance to international relief organizations providing food and other humanitarian relief to the south. The committee recognizes that the Sudanese Government cannot make peace unilaterally. Therefore, the committee urges the Administration to impress upon both parties to the war, the Government and the Sudanese People's Liberation Army (SPLA), the necessity of facilitating international relief to all people in need in both government-held and SPLA-held territories and of making significant and exepeditious progress toward a negotiated settlement of the war.

Section 812—Assistance for Zaire

Section 812 limits FMS for Zaire to $3 million and requires development assistance to be channeled, to the maximum extent practicable, through private and voluntary organizations.

Section 812 reflects the committee's concern about serious human rights violations in Zaire including reports of torture and hearings of political opponents and endemic corruption. The ceiling set by the committee is the level of FMS that Zaire received in fiscal year 1989.

Section 813—Assistance for Cape Verde

Section 813 expresses the sense of the Congress that Cape Verde should receive the Administration's request for development assistance for fiscal year 1990.

Cape Verde faces severe obstacles to development including drought, meager natural resources, and lack of fresh water resources on some of its islands. Moreover, the economy, which has a

GNP of $80 million, has been seriously affected by the cessation of approximately 400 annual flights from South Africa transiting at Sal, Cape Verde. The direct annual losses sustained by Cape Verde are approximately $12.5 million. When indirect losses are included, the figure is $25 million per year. While following a policy of strict fiscal responsibility, the Cape Verdean Government is attempting to attract international investment as a means of generating much-needed foreign exchange. Private sector development is a key component of this strategy.

In view of the long-standing good relations between the United States and Cape Verde and the family ties between the people of Cape Verde and the American people, the committee believes that the United States should provide stable and meaningful levels of assistance for Cape Verde. For fiscal year 1990, the committee urges AID to provide the Administration's requested level of $3 million.

Section 814—Factors Considered in Furnishing Assistance to Countries in Africa

Section 814 urges the President to consider the economic reform and human rights records of each African nation when extending U.S. aid.

Section 815—Military Assistance for Malawi

Section 815 earmarks $10 million in FMS for Malawi for fiscal year 1990.

At present, most of Malawi's trade goes through South Africa because the war in Mozambique has disrupted traffic on the Nacala and Beira rail lines. This disruption costs Malawi, one of the poorest countries in the world with a per capita income of $160 per year, an estimated $50 million per year in additional transportation costs.

The Nacala line in northern Mozambique is Malawi's only link to the Indian Ocean. Malawi presently has 1000 troops on the line. The increase in FMS provided by this section would enable the Malawian Government to fulfill its plan to double the number of troops on the line by providing resources for the procurement of items such as a transport plane, armoured personnel carriers to traverse the road parallel to the railroad, and mine-clearing and other smaller equipment.

The committee intends this to be a one-time infusion of funds. The committee regards this assistance as an important contribution not only to Malawi's development but also to SADCC's efforts to rehabilitate transportation links among its member states.

Section 816—United States Policy toward Ethiopia

Section 816 expresses the sense of Congress that the President should take into account progress made by the Government of Ethiopia toward a peaceful settlement of Ethiopia's civil war, improvements in human rights, and macroeconomic reform when deciding on improvements in United States-Ethiopian relations.

The committee is concerned about the Ethiopian Government's failure to negotiate a peaceful solution to the war and its continued disregard of human rights, particularly in the wake of the recent coup attempt. The committee believes that progress in these areas and toward macroeconomic reform are critical to improvements in United States relations with Ethiopia.

Section 817—Conforming and Other Amendments Relating to Sub-Saharan Africa

This section makes certain conforming amendments to the FAA and to the Agricultural Trade Development and Assistance Act of 1954 to incorporate references to the Development Fund for Africa.

TITLE IX—WESTERN HEMISPHERE

Sections 901-905 were incorporated into the bill at the suggestion of Senator Sanford. Sections 907, 909, 913, 920, 930, and 931 were incorporated into the bill at the suggestion of Senator Dodd.

Part A—Central America

Section 901—Central American Recovery and Development Program

Section 901 sets forth Congressional findings that it is in the interest of the United States to assist in the implementation of the recommendations of the International Commission for Central American Recovery and Development.

Section 902—Policy of U.S. to Assist in Implementation of International Central American Recovery and Development

Section 902 establishes U.S. policy to build upon the programs established pursuant to the National Bipartisan Commission on Central America and to assist in the implementation of the recommendations of the International Commission.

Section 903—Earmark

Section 903 earmarks not less than $25 million for fiscal year 1990 of ESF funds for the U.S. contribution to the UNDP to assist in reintegrating the displaced and refugee populations, create employment opportunities, and establish an infrastructure to ensure a better quality of life in those Central American countries which are in compliance with the Esquipulas II Accords, in accordance with the recommendations of the International Commission.

Section 904—Central American Development Coordination Commission

Section 904 sets aside not less than $500,000 and up to $1 million of ESF funds for the U.S. contribution to establishing a Central American Development Coordination Commission (CADCC) to coordinate the multidonor initiative, if the governments of Central America have made no such request by July, 1991, AID may reprogram the funds set aside for this purpose.

Section 905—Encouragement of Multilateral Contributions

Section 905 expresses the sense of Congress that the President should take the lead in appropriate multilateral forums to further the multidonor, multi-sector Central America recovery plan.

Section 906—U.S. Military Advisors in El Salvador

Section 906 requires the Secretary of Defense to report to Congress, not later than 3 months after the enactment of this Act, on the role and objectives of U.S. Military advisors in El Salvador.

Section 907—General Accounting Office Review of Administration of Justice Program in El Salvador

Section 907 dircts GAO to undertake a review of the effectiveness of the administration of justice program in El Salvador and to report its findings no later than May 1, 1990.

Section 908—Conditional Assistance for El Salvador for Police Training

Section 908 provides a conditional waiver of the prohibitions contained in section 660 relating to police training for military assistance provided to El Salvador. The prohibitions of section 660 can be waived during fiscal year 1990 if (1) the training is provided by U.S. civilian law enforcement personnel; (2) the assistance is used for professional development and training of security forces in human rights, civil law, investigative and civilian law enforcement techniques, and urban anti-terrorist training; and (3) so long as the assistance is not used for the purchase of firearms. Thirty days before obligating any assistance under this provision, the President must certify to Congress that the Government of El Salvador has made significant progress during the preceding 6 months in eliminating any human rights violations. It is the intent of the committee in adopting this conditional waiver that the emphasis of any asistance provided under this authority be on training rather than the provision of any equipment.

Section 909—Military Assistance for Guatemala

Section 909 expresses the Sense of the Senate that military assistance should continue for Guatemala so long as the Government of Guatemala undertakes to maintain civilian control over the military and security forces, to prevent human rights abuses by the military and security forces, and to promote democratic institutions; and limits to $9 million the amount of non-lethal military assistance for Guatemala.

Section 910—Human Rights and Guatemala

Section 910 authorizes ESF funds be used to assist the human rights ombudsman appointed by the Government of Guatemala to review human rights abuses.

Section 911—Restoration of the Environment in Honduras

Section 911 expresses the Sense of the Senate that environmental damage has been caused by the presence of the Nicaraguan and Salvadoran refugees and other displaced persons and provides authority for up to $3 million of funds authorized by this Act to be utilized for programs intended to restore the environment.

Section 912—Honduras and the Ramirez Case

Section 912 expresses the Sense of the Senate that procedures specified in previous legislation have been followed by the Honduran government in an effort to resolve an outstanding expropriation matter; and makes available for expenditure $15 million of ESF funds previously appropriated for Honduras but withheld pending settlement of the Ramirez case.

Section 913—Election Observers for Nicaragua

Section 913 specifically authorizes the AID Administrator to provide funding for election observer missions in conjunction with the Nicaraguan elections to be held next year and permits funds previously appropriated for the International Verification Commission to be utilized for such purposes.

Section 914—Assistance to Drug-Producing Countries for Commodities Not Intended for Export

Section 914 authorizes development and Economic Support Fund assistance for the promotion of the production of soybean, soyoil, citrus fruit other appropriate crops in Bolivia and Peru if such production does not adversely affect U.S. exporters. It is the intent of the Committee that this authority be used to assist in crop substitution programs in these two major drug-producing countries.

Part B—The Caribbean

Section 920—Assistance to Haiti

Section 920 expresses the Sense of the Senate that suspension of U.S. assistance to the Government of Haiti should continue until the current government takes concrete steps to comply with the democratic processes set forth in the Haitian constitution; it carries forward the current fiscal year 1989 prohibition on aid to the Government of Haiti, and provides for eleven exceptions to that prohibition, including assistance through private and voluntary and nongovernmental organizations, assistance for narcotics interdiction and refugees, and assistance to the Haitian provisional electoral council for expenses related to organization and conduct of elections.

Part C—South America

Section 930—Argentina and the Malvinas/Falkland Islands

Section 930 expresses the Sense of the Senate with respect to the current stalemate between the Governments of Argentina and The United Kingdom over matters related to the Malvians/Falkland Islands dispute; calls upon both governments to enter into negotiations, without preconditions, to resolve the matter; and suggests that the Secretary of State assist both parties in resolving the dispute.

Section 931—Assistance to Chile

Section 931 authorizes up to $50 thousand in IMET funds for fiscal year 1990 for Chile, provided a democratically elected government requests such funds and is making good faith efforts to assist in the resolution of the Letelier/Moffitt murders. It also waives the requirements of existing provisions of law with respect to Chile.

Section 932—Safety of Flight Items for Chile

Section 932 amends section 726(c) of the International Security and Development Cooperation Act (ISDCA) of 1981 to broaden the category of flight safety items authorized for sale to Chile. It would permit the sale and licensing of equipment (e.g., components, parts, tools, technical manuals, technical changes to technical orders (TCTOs), or TCTO retrofit) that is essential to the safe operation of the U.S.-supplied F-5 and A-37 aircraft and the C-130E/H transport aircraft, which was commercially purchased by the Chilean Air Force and is used in connection with cargo transport, humanitarian and disaster relief projects, and scientific research. The current prohibition against the sale of such items places the safety of Chilean pilots and populations at risk.

Part D—Other Regional Provisions

Section 940—The Organization of American States

Section 940 expresses the sense of the Senate with respect to greater resort to the OAS in resolving regional matters.

TITLE X—MULTILATERAL LENDING AND DEVELOPMENT INSTITUTIONS

Part A—The Inter-American Development Bank Authorization

Section 1001—Short Title

Section 1001 provides for this chapter to be cited in law as The Inter-American Development Bank Act of 1989.

Section 1002—Increases in Capital Stock and Fund for Special Operations

Section 1002(a) amends the Inter-American Development Bank Act by adding a new section 33 which—

1. Authorizes the U.S. Governor of the Inter-American Development Bank (IDB) to vote for the resolutions formally adopting provisions of the seventh replenishment of the IDB as required by law which includes an increase in the ordinary capital of the IDB of $26 billion and $200 million contribution to the Fund for Special Operations (FSO)—the concessional loan window of the IDB.
2. Authorizes the U.S. to subscribe to $9.2 million of ordinary capital of the replenishment of which 2.5 percent will be in the form of paid-in capital requiring budgetary outlays. The payments will be made in four equal annual installments of $57 million, beginning in fiscal year 1991.
3. Authorizes the U.S. to contribute $82 million to the FSO in four equal installments of $21 million beginning in fiscal year 1991.
4. Requires that the above U.S. contributions be subject to appropriations.

Section 1002(b) establishes the effective date of subsection (a) as October 1, 1990.

Part B—The Enhanced Structural Adjustment Facility

Section 1020—Authorization for Contribution

Section 1020 amends the Bretton Woods Agreements Act by adding a new section 54 at the end of the Act. The new section authorizes the U.S. to make a $150,000,000 contribution to the interest subsidy account of the Structural Adjustment Facility (ESAF) of the IMF. It authorizes $150,000,000 in appropriations for such purposes. The ESAF is expected to provide $8 billion in concessional assistance to low-income member countries (predominently sub-Saharan African countries).

Part C—Limitations on Expenditures for Multilateral Institutions

Section 1030—Limitation

Section 1030 limits U.S. funding for the Multilateral Development Banks (including the Enhanced Structural Adjustment Facility) to $1,414,630,000 for fiscal year 1990.

Part D—International Monetary Fund

Section 1040—Findings

Section 1040 sets forth Congressional findings relating to the central role of the IMF in shaping the global environment, its lack of specialized staff to analyze the social and environmental impacts of its policies and adjustment programs, and its failure to review systematically the environmental and social impacts of its policy prescriptions and evaluate past policy to avoid adverse impacts on the environment.

Section 1041—Instructions to the United States Executive Director

Section 1041 directs the Secretary of the Treasury to instruct the U.S. Executive Director of the Fund to work to employ additional specialized staff, establish a systematic review of past, present, and future policy prescriptions as they relate to social and environmental impacts of policy prescriptions, and establish long-term management of natural resources as an integral part of its stabilization and adjustment policies, a central component of which shall be the creation of energy-efficient economies that minimize the effect of global warming and provide substantial consumer benefits.

Section 1042—Reporting Requirement

Section 1042 requires the Secretary of the Treasury to report to Congress six months after enactment of this Act, and annually thereafter, on the progress made by the U.S. Executive Director of the Fund in accomplishing the directives in section 1041.

TITLE XI—PEACE CORPS

Section 1101—Authorization of Appropriations

Section 1101 amends section 3(b) of the Peace Corps Act to authorize Peace Corps appropriations of $157 million for fiscal year 1989, and $172.8 million for fiscal year 1990.

Section 1102—Period of Ineligibility for Peace Corps Reemployment

Section 1102 amends section 7(a)(2)(B) of the Peace Corps Act to modify the existing rule, which requires former Peace Corps employees to remain out of the agency for as long as they were employed by it, so as to place a 30-month maximum limit on the length of time that a former employee must remain out of the Peace Corps in order to be eligible for reemployment there.

Section 1103—Peace Corps Foreign Currency Fluctuations

Section 1103 adds a new section 16 to the Peace Corps Act to establish a foreign currency fluctuations account for the Peace Corps, patterned after similar accounts established for the Departments of Defense and State, and for the American Battle Monuments Commission, and authorizes sufficient appropriations to maintain a balance of $5 million in the account.

TITLE XII—MISCELLANEOUS AND GENERAL PROVISIONS

Section 1201—Contingencies

Section 1201 amends section 451 of the FAA to establish a $50 million ceiling on the amount which may be allocated in any fiscal year for emergencies. Existing law provides that up to $10 million of funds made available in any fiscal year may be used for emergency purposes; it is an ambiguous provision, however, and it does not contain an overall limit on the amount that may be furnished during any fiscal year.

Section 1202—War Reserve Stockpiles

Section 1202 amends section 514 of the FAA to extend the War Reserve Stocks for Allies Program through fiscal year 1991 and authorizes $65 million in fiscal year 1990 and $78 million in fiscal year 1991 to carry out the program.

Section 1203—Restrictions on International Military Education and Training Assistance

Section 1203 amends section 620(q) of the FAA to exempt the IMET program from sanctions under that section and the Brooke-Alexander Amendment and to extend the period for triggering the Brooke Amendment from six months to one year. The intent of 620(q) and the Brooke Amendment was to give the United States leverage and foreign countries an incentive to repay U.S. loans. However, IMET programs are usually so small in relation to loans and arrearages that their termination provides very little incentive to repay. In order to achieve the stated purpose of the training efforts and to foster a long-term relationship, the Administration must be provided the flexibility to continue training for governments seeking to strengthen democratic institutions when it is determined to be in the U.S. national interest.

Section 1204—Termination of Assistance Upon Military Coups

Section 1204 requires termination of all funds authorized or made available under this Act, the FAA, and the AECA; prohibits any sale, lease or loan of defense articles or services under the AECA: suspends existing letters of offer of defense articles and services; prohibits issuance of export licenses under section 38 of the AECA and suspends all existing export licenses issued under section 38, and requires termination of any lease or loan of any defense articles or services in effect if the democratically elected government of any country is overthrown by military coup or decree or by a communist insurgency. U.S. assistance may be resumed only if the President determines and reports to Congress that subsequent to the termination a democratically elected government has taken office.

An exception for the termination of assistance is made for relief and rehabilitation of people and countries affected by disasters and for humanitarian assistance.

Section 1205—Senate Caucus on International Narcotics Control

Section 1205 amends section 814 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987, to establish the Senate Caucus on International Narcotics Control. This seven member Caucus replaces the United States International Narcotics Control Commission established by the Foreign Relations Commission established by the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987. The authorization for the Caucus is $375,000 annually. Funds appropriated to carry out the activities of the Caucus will come from funds appropriated to the legislative branch, and not from funds appropriated for the International Affairs function of the budget.

Section 1206—Mandatory Retirement for Certain Inspector General Staff

Section 1206 amends section 806 of the Foreign Service Act of 1980 to authorize retirement pay for criminal investigators in the Foreign Service similar to that provided criminal investigators in the Civil Service. This section also provides for mandatory retirement for Foreign Service criminal investigators in the same manner as criminal investigators in the Civil Service.

Section 1207—Payments for Annual Leave

Section 1207 amends 5 U.S.C. 5551(a) to provide that a lump-sum payment for accumulated annual leave to a federal employee separating overseas shall not be calculated to include any post differential that such employee may have been receiving at the time of separation.

Section 1208—Reciprocal Treatment for Foreign Military Personnel

Section 1208 amends chapter 13 of title 22, U.S.C., the Friendly Forces Act, to provide the requisite basis to permit the United States to accord foreign military personnel in the United States rights that are reciprocal to those given to U.S. military personnel serving overseas. Such authority would facilitate for U.S. military personnel and our ability to conclude base rights agreements. One factor complicating those efforts is the fact that the United States does not accord the same rights to the limited number of foreign military personnel located in the United States that we seek for the much larger contingent of U.S. military personnel present overseas.

Section 1209—Prohibition on Assistance to Additional Communist Countries

Section 1209 amends section 620(f) of the FAA to add Afghanistan, Laos, and Cambodia to the list of Communist countries to which assistance is prohibited, and to specify that when the President act to remove a country from the 620(f) list, such removal shall be for a period of not more than one year.

Section 1210—Report on Water Resources

Section 1210 requires the Administrator of AID to report to the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs within 180 days after the enactment of this Act on the problem of water resources management in the Jordan River Basin and the sub-Saharan Africa.

Section 1211—Global Desalinizatoin and Fresh Water Fund

Seciton 1211(a) authorizes the President to provide financial, technical, and other assistance for desalting and water treatment activities under a Global Desalinization and Fresh Water Fund.

Section 1211(b) authorizes the President to utilize funds under this Act to participate in or convene meetings with foreign governments, international organizations, scientific experts and organizations to promote the goals of the Fund.

Section 1211(c) authorizes up to $10 million in unobligated ESF funds and unobligated funds authorized under section 219 of the FAA for the establishment of the Fund.

Section 1211(d) prohibits allocation of funds under this section unless the Bureau of Reclamation in the Department of the Interior has been consulted.

Section 1212—Prohibition on Certain Scholarships and Exchange Programs

Section 1212 prohibits the award of funds authorized under the International Security and Development Cooperation Act or the Foreign Relations Authorization Act, or any other Act, for educational scholarships or exchange programs for foreign nationals who are members of terrorist organizations.

Section 1213—Report on Clean Coal Technologies

Section 1213 requires the President to report to the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs within 90 days of enactment of this Act on clean coal technologies export programs within U.S. Government agencies.

Section 1214—Report on Agricultural Commodities and the European Community

Section 1214 requires the Secretaries of State and Agriculture to report to the Senate Foreign Relations Committee and the House Foreign Affairs Committee within 90 days of enactment of this Act on the foreign agricultural development programs of the European Community and the potential impact the Europe 1992 plan will have on market access for U.S. agricultural exports.

Section 1215—Report on Tied Aid

Section 1215(a) requires the President to report to the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs within six months from the date of enactment of this Act on: (1) the extent of which U.S. and other donor country suppliers can compete; (2) the nature of obstacles imposed which restrict U.S. participation; (3) the extent to which government subsidies restrict U.S. competition; (4) the extent to which other governmental action restricts U.S. participation; and (5) the progress being made toward removing barriers to full participation by U.S. and other donor country suppliers under the foreign assistance programs of other donors.

Section 1215(b) directs that the report required in subsection (a) include recommendations by the President of ways in which U.S. firms can compete more fully in foreign assistance programs and an evaluation of the effect that subsidizing domestic firms of donor countries would have on the willingness of donor countries to untie their assistance programs.

Section 1216—Report on Soviet Presence in Africa

Section 1216 requires the Secretary of Defense, in consultation with the Secretary of State and the Director of the CIA, to report to Congress within 180 days of enactment of this Act on the Soviet presence in Africa, including an estimate of the number of Soviet military personnel in Africa, an outline of treaties and other agreements in force between the Soviet Union and African countries, an estimate of the value and type of military equipment provided to each African country and the conditions of Soviet basing rights.

Section 1217—Human Rights in Yugoslavia

Section 1217 expresses the concern of Congress regarding human rights violations by the Government of Yugoslavia, urges the Yugoslav Government to assure that violence and bloodshed cease in Kosovo, urges the Government of Yugoslavia to adhere to its obligations under international agreements to protect the rights of the Albanian minority and all other national groups in Yugoslavia, requests the President and the State Department to continue closely monitoring human rights conditions in Yugoslavia, and calls upon the President to express these concerns to representatives of Yugoslavia.

Section 1218—Certain Uses of Excess Foreign Currencies

Section 1218 authorizes the AID Administrator to use any U.S.-owned foreign currencies that are in excess of amounts needed to cover existing commitments or other legally mandated purposes in foreign countries for economic assistance purposes and for the support of institutions providing education to U.S. nationals or their dependents. Excess currencies under this section may be used notwithstanding any other provision of law, subject to the prohibition on use in designated communist countries.

TITLE XIII—INDEX OF ECONOMIC FREEDOM ACT OF 1989

Section 1301—Short Title

Section 1301 sets forth the title "Index of Economic Freedom Act of 1989."

Section 1302—Congressional Findings

Section 1302 sets forth Congressional findings relating to the need for U.S. foreign assistance to be accompanied by a policy framework that permits long-term, self-sustainable economic growth and development, and that to gauge a country's progress in providing economic incentives, an Index of Economic Freedom is needed.

Section 1303—Amendment to Foreign Assistance Act of 1961

Section 1303 amends the FAA to add a new section 671 requiring the AID Administrator to develop, within six months after enactment of this Act, a system for evaluating the economic freedom of individuals in countries eligible for development assistance under the FAA, which shall be called the Index of Economic Freedom. The index is to assign numerical ratings for the following specified factors: property rights, regulations, informal sector, wage and price controls, taxation, trade policy, restrictions on investment and capital flows, size of state sector, banking. AID may choose to use other relevant economic factors. This section further requires the AID Administrator to apply to each eligible country, beginning two years after the date of enactment of this Act, and submit a report to the relevant Congressional committees. Beginning two years after enactment of this Act, no assistance, other than narcotics control and disaster assistance may be made under part I of the FAA unless the advisability of furnishing such assistance has been evaluated on the basis of the index. The committee emphasizes that nothing in this title allows or suggests that assistance to any country be cut off or reduced solely on the basis of application of the index. The index will only be one factor in shaping the allocation decisions for development assistance.

Section 1304—Eligibility of Countries for Financial Assistance from Certain International Institutions

The Secretary of the Treasury is required to direct the U.S. directors of the multilateral development banks, the Inter-American Development Bank, the African Development Bank, the African Development Fund, the Asian Development Bank, and the Asia Development Fund to consider opposing any financial assistance to countries which the Secretary determines have rated poorly under the index.

TITLE XIV—REPEALS AND EFFECTIVE DATE

Section 1401—Repeals

Repeals obsolete provisions in current law that have been fulfilled, have expired, or are no longer applicable.

Section 1402—Effective Date

Section 1302 establishes October 1, 1989, as the effective date for provisions contained in the bill, unless otherwise specified.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

In accordance with rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the Committee provides the following estimates of the cost of this legislation, prepared by the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 18, 1989.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate on International Security and Development Cooperation Act of 1989, as ordered reported by the Senate Committee on Foreign Relations on July 12, 1989.

Should the Committee so desire, we would be pleased to provide further details.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: Unassigned.

2. Bill title: International Security and Development Cooperation Act of 1989.

3. Bill status: As ordered reported by the Senate Committee on Foreign Relations on July 12, 1989.

4. Bill purpose: This legislation authorizes the appropriation of funds for fiscal year 1990 for development and security assistance programs, the Peace Corps, and a contribution to the Enhanced Structural Adjustment Program. The bill authorizes multi-year appropriations for the multilateral assistance for the Philippines and a seventh replenishment for the Inter-American Development Bank, and otherwise amends legislation dealing with foreign aid.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1990	1991	1992	1993	1994
Budget function 050:					
Department of Defense offsetting receipts:					
Estimated authorization	96	99	102	104	106
Estimated outlays	96	99	102	104	106
Budget function 150:[1]					
Estimated authorization level	11,650	326	310	278	200
Estimated loan guarantees	130	0	0	0	0
Estimated secondary loan guarantees	200	200	200	0	0

[By fiscal year, in millions of dollars]

	1990	1991	1992	1993	1994
Callable capital subscriptions	2,236	2,236	2,236	2,236	0
Estimated outlays	4,863	2,209	3,186	793	601

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[1] The estimated authorization includes $375,000 per year for the Senate Caucus on International Narcotics Control in budget function 800, general government.

Basis for estimate: The estimate assumes enactment of this legislation by September 30, 1989 and subsequent appropriation of the authorized amount in the years specified in the bill. Estimates of open-end authorizations and outlays for new and modified programs are discussed below. Outlays for other authorized accounts were estimated using historical spend-out rates. Except where specified in the bill, credit authority is estimated at baseline levels.

Change in pricing policy for arms exports.—Section 117 of the bill authorizes a change in the pricing of exports of military equipment and services by waiving the collection of certain charges for nonrecurring research and development (R&D) and for the use of assets for sales financed by all-grant foreign military sales (FMS) financing. The section also drops salaries of the Armed Forces and unfunded estimated costs of civilian retirement and other benefits from the calculation of the administrative surcharge on all government-to-government sales through the FMS Trust Fund. The DoD does not plan to reduce the surcharge on government-to-government sales, rather the change in the cost calculation for administrative services is to avoid raising the administrative surcharge to fully recover costs required by existing law.

The Department of Defense estimated $60 million in forgone collections to military personnel accounts, lower receipts of $34 million for unfunded civilian retirement and other benefits and $62 million for non-recurring R&D and asset use charges in fiscal year 1990. Fiscal years 1991 through 1994 were estimated using the CBO baseline estimate of sales through the FMS Trust Fund. The authority in the section is limited to such extent or such amounts as are provided in advance in an appropriation act. The loss of collections to military personnel accounts will have to be absorbed or funded through larger appropriations.

Foreign military sales financing.—The bill authorizes $4,819.3 million for fiscal year 1990 for an all grant foreign militry sales financing program to replace the grant military assistance and foreign military sales credits under the Arms Export Control Act. Only administrative expenses are included within the military assistance authorization. Outlays were estimated using earmarks of funds for specific countries contained in the bill and rates extrapolated from baseline rates for predecessor programs.

Housing and other guarantee programs.—Section 402 extends the President's authority to issue new guarantees for the housing and other credit guarantee programs through 1990 and increases the authorized borrowing authority to fund claims payments on new and outstanding guarantees by $100 million. The estimate assumes baseline levels for new credit authority. To make timely payments on claims on outstanding guarantees, $20 million of the authorized borrowing authority is estimated to be used in fiscal year 1990 and the balance in fiscal years 1991 and 1992 at baseline levels.

Multilateral assistance initiative for the Philippines.—The $1 billion authorized in section 501 for the multilateral assistance initiative for the Philippines is assumed to be appropriated at the rate of $200 million per year for 5 years as requested by the President. Outlays were estimated at the same rate used for the CBO reestimate for the President's request.

Inter-American Development Bank.—Part A of Title X authorizes the U.S. Governor to vote for the agreement concerning the seventh replenishment of the Inter-American Development Bank (IDB) and authorizes the appropriation of $9,169,559,712 to subscribe to capital stock in the Bank and $82,304,000 to contribute to the IDB's Fund for Special Operations (FSO). The subscription to the capital stock is limited to amounts provided in advance in appropriations acts. The replenishment agreement requires that 2.5 percent of the stock subscription be paid-in, or purchased. The balance is subject to call should the IDB ever be unable to meet payments on its own liabilities. The estimate assumes the subscription will be completed in 4 equal annual installments as anticipated in the agreement and that only paid-in capital of $57.3 million per year and contributions to the FSO of $20.6 million per year will be appropriated. Callable capital is assumed to be provided in limitations in appropriations acts as has been the practice for the last 9 years. The IDB has never made a call on its callable capital and no subsequent appropriation or outlays are estimated.

Enhanced Structural Adjustment Facility.—Part B of Title X authorizes the contribution of $150 million to the interest subsidy account of the International Monetary Fund's Enhanced Structural Adjustment Facility. Outlays for the new program were taken from the planned payments contained in the President's request.

Limitations on Expenditures for Multilateral Institutions.—Part C of Title X limits obligations and expenditures to $1,414.63 million in fiscal year 1990 for multilateral development banks including the contribution to the enhanced structural adjustment facility. The limitation covers 11 separate appropriation accounts, several with no first year outlays. It is impracticable to estimate which accounts would have 1990 obligations deferred as a result of enactment of this language. Estimate outlays for the accounts are lower than the limitation. Neither the authorization nor estimated outlays were lower for this section.

Peace Corps.—Section 1101 authorizes an additional $3.5 million for fiscal year 1989 for the Peace Corps. The estimate assumes the bill will be enacted too late in the fiscal year to permit enactment of a supplemental appropriation.

Section 1103 establishes a foreign currency fluctuation account for the Peace Corps and permanently authorizes such sums as may be necessary to maintain an unobligated balance of $5 million at the start of each fiscal year. The estimate assumes the appropriations over the next five years for the countries within which the Press Corps operates.

Retroactive adjustment of terms for loans to the Philippines.—Section 122 authorizes, to the extent provided in advance in appropriations acts, that uncommitted balances of FMS direct loans may be disbursed without requirement for repayment of principal and interest. The Philippines has $29,355 million in uncommitted concessional FMS loans provided in fiscal years 1985 and 1986. The DoD has been using "special billings" procedures for the Philippines, i.e., they have been using grants instead of loans whenever possible to minimize the repayment burden on the Philippines. The baseline estimates assume that the concessional loans will never disburse. The retroactive terms adjustment for these loans is estimated to release these balances. Disbursements for these loans are included in the outlay estimate.

Other authorizing provisions.—Section 116 amends provisions of current law by eliminating the requirement that recipient countries return to the U.S. military equipment supplied under the authority of the old military assistance program or the proceeds from the equipment's disposition. Enactment of this section is estimated to lower offsetting collections by $1 million per year. The lower collections will be offset by lower obligations and are estimated to have no significant new budget impact.

Section 1206 would allow foreign service criminal investigators of the Office of the Inspector General, Agency for International Development to elect to be covered under the civil service law enforcement officers' retirement plan. The civil service retirement plan requires a higher employee contribution for law enforcement officers and then provides higher retirement benefits. According to information from the Agency for International Development, there are 32 foreign service criminal investigators. This estimate assumes three foreign service criminal investigators will retire over the projection period. Because of the small number of individuals affected by this bill, it is estimated to affect outlays in budget function 600, income security, by less than $10,000 per year over the next five years.

The Trade Credit Insurance Program in section 403 authorizes the President to provide secondary loan guarantees to the Eximbank for short term guarantees and insurance to the private sector in Central American countries.

6. Estimated cost to State and local governments: None.
7. Estimate comparison: None.
8. Previous CBO cost estimate: None.
9. Estimate prepared by: Joseph C. Whitehill and Cathy Elman.
10. Estimate approved by: C. G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT

In accordance with rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the committee has evaluated the regulatory impact of this bill and finds that its enactment would have no regulatory impact. This bill authorizes appropriations for security and development assistance, for the Peace Corps, for certain multilateral development banks, and for related agencies and programs. The bill modifies provisions of the Foreign Assistance Act of 1961 and the Arms Export Control Act.

ADDITIONAL VIEWS OF SENATOR JESSE HELMS

Foreign aid is, and consistently has been, one of the most unpopular programs among the American taxpayers. My view is that the people's distaste is well-founded. Recent studies have come to the same conclusion that the American people reached instinctively—these programs are not working and, in some cases, are even counterproductive to the economic development of the countries we supposedly intend to help.

This year, Congress has an opportunity to initiate real reform in foreign aid legislation. The Administration appears to have recognized the shortcomings in the existing programs and wants to work with Congress to provide a greater focus on economic development.

The House Foreign Affairs Committee also embarked on an attempt at reform following the Hamilton-Gilman report; regrettably the final product, H.R. 2655, contains considerably less reform than originally recommended by those who had studied the shortcomings of existing programs.

Unfortunately, the Senate Committee bill does not even attempt reform, but merely perpetuates the status quo to which the American taxpayer so vehemently objects. Therefore, many aspects of this bill will need reconsideration by the full Senate.

Much of the atmosphere for reform in foreign aid must be credited to the late AID Administrator Alan Woods who sparked a vision for foreign assistance programs aimed at economic expansion, rather than dependency, in the Third World. "Development and the National Interest: U.S. Economic Assistance into the 21st Century," published during Woods' tenure, outlines many of the policy failures of present foreign aid structure and philosophy.

In addition to the overabundance of Congressional directives in foreign aid which actually frustrated the effective implementation of policy under the creative Woods, the Secretary of States has also expressed concerns with the proliferation of directives—earmarks, ceilings, prohibitions, requirements—imposed on the Administration. A few of these directives are compelling and should apply without regard to who is President or who is Secretary of State. For instance, our vital relationships in the Middle East with Israel and Egypt must be maintained, and I cannot agree with eliminating our special consideration of these allies.

Where possible, however, I believe we should permit the President and the Secretary reasonable flexibility in the conduct of foreign affairs—including in the distribution of economic and military assistance. If they abuse our trust, Congress will surely restore the specificity of legislation.

MEXICO CITY AND ABORTION POLICY

I very much regret that the Committee bill contains a provision—section 304(b) sponsored by Senator Kassebaum—that effectively nullifies the Mexico City policy on population planning. Many colleagues in the Senate and the House—and the President for that matter—feel very strongly about this issue. There is no way that I can support a foreign aid bill that overturns the Mexico City policy and current Administration policy on international population assistance. And in my view there is little likelihood that a bill containing such a provision will be signed by the President and enacted into law. The threat that this provision presents to the bill in and of itself demonstrates why this legislation should not be passed with the provision intact.

As a brief review, it should be remembered that the "United Nations World Population Plan of Action," adopted by the International Conference on Population in Mexico City in August 1984 states that all population programs must be voluntary, and that abortion "in no case should be promoted as a method of family planning."

At the same time the United Nations plan was enunciated, the United States Government announced that private organizations which "perform or actively promote abortion as a method of family planning" would not be eligible to receive population assistance funds from AID. That was in 1984. Since then, the Reagan Administration and subsequently the Bush Administration have opposed efforts to overturn the Mexico City doctrine. During his confirmation hearing, Secretary Baker reminded the Committee that the Mexico City policy was worked out in his office when he was Chief of Staff to President Reagan, and that he personally is committed to that policy.

I do not think the Committee or the Senate can expect to overturn a vital component of the Administration's policy on abortion and at the same time expect to pass a foreign aid bill that will get signed by the President.

This provision is one of the most objectionable—if not the most objectionable—in the bill although there are certainly others. Indeed, in this Senator's judgment it remains the provision at this point most likely to prompt a veto of the whole bill. The President has very recently reinforced his views on the matter in a letter to Congressman Henry Hyde and in a statement to the National Right to Life Committee's annual convention. Additionally, history would suggest that the House will not pass a final bill if pro-abortion policy is contained in it.

CARGO PREFERENCE

As if this bill did not have enough weight impeding its passage, the Committee adopted an amendment sponsored by Senator Sarbanes, section 205, that will serve to add more controversy to the bill, thus threatening its ultimate passage.

The amendment would require recipients of Economic Support Fund (ESF) cash transfers to agree to import an equal amount of U.S. goods and to transport such goods under U.S. cargo preference laws. While the amendment is portrayed as helping exports, its actual effect would be quite the opposite. All countries affected by the Sarbanes amendment already buy U.S. goods in an amount more than an equal amount. Thus the extra cost of U.S. merchant vessels will discourage exports. Every Senator with a strong interest in increasing U.S. exports, particularly of agricultural products, should be alarmed by this provision and its ramification for U.S. trade.

The amendment has two principal features. The first requires that any country receiving a cash transfer under the ESF program must agree to purchase an amount equal to the value of the transfer in U.S. goods. In almost every case, countries that now receive ESF cash transfers purchase not only an equal amount, but far more than the value of their cash transfer.

The second and major intent of the amendment is to require all recipients of an ESF cash transfer to ship at least half of their U.S.-purchased goods on U.S. vessels. Since the amendment provides no additional funds to pay for the added cost of U.S. shipping, the availability of financing for countries purchasing U.S. commodities is reduced by the additional cost required by this cargo preference provision. The amendment adopted by the Committee will have its greatest adverse impact on commodities which are already being shipped to such countries, although perhaps not by U.S. ships. Our exports need to be expanded, not reduced.

At a time of budget constraint, when we should be attempting to stretch increasingly finite resources further, this amendment would result in less real assistance and fewer commodities shipped from the United States. Obviously, the only apparent beneficiary is the U.S. merchant marine be disadvantaged because of the negative consequences that they could face from reduced exports through the ESF program.

In order to prevent the threat that this provision poses to U.S. exports, particularly agriculture products, this provision should be stripped from the bill during Senate consideration.

CEILING ON MILITARY AID TO EL SALVADOR

In a bizarre response to key U.S. allies in three regions of the world, the Committee bill imposes ceilings on available military assistance which the President can provide to El Salvador, Turkey, and Zaire. In each instance, the ceiling undermines U.S. relations with the country in question, contributes to instability in the region, and weakens the military preparedness of the country to respond to external aggression.

The Committee bill—section 103(a)(7)—places a cap of $90 million in military assistance to El Salvador, even though the Administration has requested $97 million. Congress should not impose an arbitrary ceiling on military assistance to El Salvador at this critical juncture in their country's history.

Frankly, I find it astounding that Senators could even consider limiting military assistance to El Salvador at this time. To do so, is to tie President Bush's hands as he attempts to aid the people of El Salvador in their fight against Communist terrorists. Whether Senators recognize the impact of their vote or not, those who advocate capping military aid to El Salvador at this time are, in effect, aiding these Communist terrorists.

I have heard for years a lot of unsubstantiated allegations about so called "right-wing death squads" murdering innocent victims in El Salvador. But I have yet to hear a word about the "left-wing death squads" against democracy in El Salvador—those operated by the terrorists working in league with the Communist guerrillas.

In the last 2 months, there have been 5 terrorist attacks against top leaders of the ARENA Party in El Salvador. In these 5 attacks, 6 people have been murdered.

On June 9, President Cristiani's Chief of Staff was machine-gunned down along with 2 of his aides, while leaving his home for work. Mr. Antonio Rodriguez, Cristiani's Minister of the Presidency—El Salvador's John Sununu—was murdered in cold blood just one week after taking office.

There have been four other major assassination attempts—all which have resulted in wounded or dead civilians. In April, the Attorney General was murdered. Then there was the attempt against the newly elected Vice-President, Mr. Merino. One of his children was wounded, and all four of his children have now been forced to leave the country.

The latest attempt was against the President of the National Assembly, in which a policeman guarding his home at the time was murdered. And since the elections in El Salvador, another ARENA Mayor has been murdered; there have now been nine ARENA mayors killed. Several weeks ago, a well-known conservative intellectual was gunned down—just days after he appeared on television debating members of the political party representing the guerrillas.

Perhaps the most significant evidence of the war against democracy in El Salvador, was the Communist guerrillas' weapons cache discovered in El Salvador on May 30—just two days before the Inauguration of President Cristiani. It was the largest cache ever captured in El Salvador. I will not go through the extensive list of weapons captured from the Communist guerrillas, but suffice it to say that it is enough materiel to keep urban guerrilla warfare going in San Salvador for a couple of years.

This background of greatly increased communist-inspired guerrilla activity makes the Committee proposal to restrict the U.S. response to providing military assistance to El Salvador truly astonishing.

What we really appear to have is a situation in which some members of the Committee do not like the results of the recent elections in which their favored party, the socialist Christian Democrats, was defeated. Mr. Alfredo Cristiani and his more conservative ARENA party won the election fair and square—and by an overwhelming landslide, 54-36 percent. When free and fair elections take place, we cannot decide to support democracy only when the candidate we like wins.

It would be wrong-headed to undercut the popularly elected Cristiani government—and to punish those in El Salvador who are fighting off Communist terrorism—at perhaps the most crucial point in that country's ongoing battle against Soviet and Cuban-backed guerrillas. Yet that is precisely the effect of the Committee's restrictive language on aid to El Salvador. If it remains in the bill, it is an affront to representative government in El Salvador and a green light to the Communist terrorists and their left-wing death squads. It also tells the Communist Sandinistas, and their Cuban and Soviet masters, that the United States is not really serious about promoting liberal and free institutions in Central America. A high priority must be given to removing this restriction when the bill comes before the Senate.

CEILING ON MILITARY AID TO TURKEY

In another case of misplaced priorities, the Committee established—in section 103(a)(4)—a ceiling of $500 million in military assistance to Turkey, a key NATO ally that shares a 1200 mile border with the Societ Union. In this instance, the ceiling represents a $50 million reduction from the Administration's requested level. The "rationale", such as it is, for the Committee's action is to maintian an arbitrary "ratio" between U.S. aid to Greece—earmarked at $350 million—and that provided to its rival Turkey.

The United States should not be in the business of conditioning our aid to one ally on its relations with another ally. Our foremost interest must be to act in accordance with U.S. national security interests—not those of Greece, or Turkey. Yet objectively, U.S. interests suggest that we provide increases assistance to Turkey. Turkey is an enormously important country to the NATO alliance. It is the home to several major air bases and naval facilities, 15 NATO early warning sites, communications facilities, as well as several key intelligence collection facilities. Turkey maintains one of the largest NATO armies, one three times larger than Greece's.

At the same time, U.S. relations with Greece have deteriorated. The Greeks, at least under socialist Prime Minister Papandreou, have threatened to reduce the U.S. military presence which is up for renewal. Amazingly, the Greek government has even provided sanctuary for terrorists. Hopefully strong U.S.-Greek relations will be restored in light of Mr. Papandreou's recent defeat. The Committee's pro-Greek bias was so strong that the Committee even rejected an amendment to make permanent the annual appropriations language allowing the President to reduce aid to any country that breaks its agreements with the United States or otherwise reduces U.S. military access in those countries. (That was apparently interpreted as an anti-Greek gesture, which in itself reveals much about current U.S.-Greek military cooperation.)

My purpose, however, is not to debate the merit of either country's circumstances per se, or their current attitudes toward one another, but rather to ensure that U.S. policy is based on what is best for U.S. interests. In my judgment, that assessment requires that the ceiling on U.S. military aid to Turkey be lifted.

POLICY TOWARD ZAIRE AND OTHER U.S. ALLIES IN AFRICA

Surely our friends abroad must look with incredulity at some actions of the U.S. Senate. In sub-Saharan Africa, the United States has three black African countries with whom we have strong alliances and base rights or access agreements. These countries are Zaire, Kenya, and Somalia.

Yet we find that it is precisely these three countries—these allies—that the Committee bill singles out for the most harsh treatment under the Africa title proposed by Senator Simon. I cannot imagine why our principal African allies should be accorded such hostile treatment.

What is the object lesson this gives to the rest of Africa and the world?—Become a "friend" of the U.S. and the Congress will turn against you. You will be criticized, your aid will be cut, or prohibited, while your adversaries in the area receive not one ounce of the same treatment.

I know that the Senator from Illinois has as his stated purpose the achievement of improved U.S. relations in Africa. This is certainly not the way to go about it.

For instance, the Committee adopted a $3 million ceiling on military aid to Zaire even though the Administration has requested $9 million for fiscal year 1990. The Committee's repudiation of assistance for Zaire came in the midst of several initiatives and actions by the Zairean government that underscored its role as a key U.S. ally in the region.

Zaire was supportive of U.S. efforts to keep the Palestine Liberation Organization out of the World Health Organization earlier this year. Most recently, President Mobutu demonstrated his leadership by bringing together Angolan President Edouard dos Santos and UNITA's President Dr. Jonas Savimbi in what may serve as the basis for negotiations leading to national reconciliation.

It was alleged that "massive human rights violations" take place in Zaire and that "corruption" exists there. What seems to be overlooked is both that Zaire is a model of stability compared to its surrounding countries in Africa and that the trends have been good. The Administration noted that even the United Nations Human Rights Committee voted earlier this year to discontinue its investigation into human rights complaints against Zaire. No evidence that corruption exists was presented much less that it could have infiltrated U.S. military assistance to the government.

A ceiling on aid to a key ally that is one of the most stable and dependable on the continent of Africa is hardly appropriate policy for a country that desires to build good relations with other African governments. The ceiling on Zaire, as well as the treatment of Kenya and Somalia, deserve closer examination by the full Senate than they received by the Committee on Foreign Relations.

Changes in Existing Law

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

The Foreign Assistance Act of 1961, as Amended

* * * * * * *

CHAPTER 1—POLICY; DEVELOPMENT ASSISTANCE AUTHORIZATIONS

Sec. 101. General Policy.—(a) * * *

* * * * * * *

[(2) the promotion of conditions enabling developing countries to achieve self-sustaining economic growth with equitable distribution of benefits;

[(3) the encouragement of development processes in which individual civil and economic rights are respected and enhanced; and]

(2) the promotion of improved environmental, natural resource, and agricultural management to enable developing countries to achieve environmentally and economically sustainable patterns of development;

(3) the encouragement of development processes in which political, social and economic pluralism are promoted; and

* * * * * * *

Sec. 103. Agriculture, Rural Development, and Nutrition.—(a) * * *

* * * * * * *

(2) [There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $760,000,000 for the fiscal year 1986 and $760,000,000 for the fiscal year 1987.] *There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $508,589,000 for fiscal year 1990.*

Sec. 104. Population and Health.—(a) * * *

* * * * * * *

(b) Assistance for Population Planning.—In order to increase the opportunities and motivation for family planning and to reduce the rate of population growth, the President is authorized to furnish assistance, on such terms and conditions as he may determine for voluntary population planning. In addition to the provision of family planning information and services, including also information and services which relate to and support natural family planning methods, population planning programs shall emphasize motivation for small families. *In determining eligibility for assistance under this subsection, the Administrator of the agency primarily responsible for administering this part shall not subject nongovernmental and multilateral organizations to requirements more restrictive than requirements applicable to foreign governments for such assistance.*

(c) ASSISTANCE FOR HEALTH AND DISEASE PREVENTION.—(1) * * *

* * * * * * *

> [(B) In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the President $25,000,000 for fiscal year 1986 and $775,000,000 for fiscal year 1987 for use in carrying out this paragraph. Amounts appropriated under this subparagraph are authorized to remain available until expended.]
>
> *(B) In addition to funds otherwise available for such purposes, there are authorized to be appropriated to the President $72,225,000 for fiscal year 1990 for use in carrying out this paragraph. Amounts appropriated under this subparagraph are authorized to remain available until expended.*
>
> (C) Appropriations pursuant to subparagraph (B) may be referred to as the "Child Survival Fund."

* * * * * * *

> *(D) Except as provided in this section, assistance provided under this paragraph may be made available notwithstanding any other provision of this Act (other than subsections (a), (f), and (t) of section 620 and section 620(A) of any other Act).*

(d) INTERNATIONAL AIDS PREVENTION AND CONTROL.—(1) In order to address the international health threat posed by the Acquired Immune Deficiency Syndrome, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for assistance to prevent and control this disease, including the collection and dissemination of information on the spread of the disease and its economic and developmental effects. In carrying out the purposes of this subsection, the agency primarily responsible for administering this part shall seek to ensure adequate coordination with other Federal agencies, international organizations, and private and voluntary organizations. Assistance activities pursuant to this paragraph should include support for appropriate activities which are carried out by international organizations (including such organizations receiving funds under chapter 3 of this part) and by private and voluntary organizations.

(2) In addition to funds otherwise available for such purposes, there are authorized to be appropriated to the President $42,000,000 for fiscal year 1990 for use in carrying out this subsection. Amounts appropriated under this paragraph are authorized to remain available until expended, and may be made available notwithstanding any other provision of law. Not less than $25,500,000 shall be pro-

vided directly to the World Health Organization for its use in financing the Global Program on AIDS, including activities implemented by the Pan American Health Organization, except that such funds authorized by this Act shall not be available for the World Health Organization if such organization accords the Palestine Liberation Organization the same standing as member states.

[(d)**]** *(e)* INTEGRATION OF ASSISTANCE PROGRAMS.—* * *

* * * * * * *

(3) * * *

(4) In order to assure that cooperation with United States population planning assistance is voluntary and not coerced, assistance under this Act, which is extended directly or indirectly to a foreign government or other entity, shall not be conditioned on acceptance by such government or entity of population planning assistance or any particular program of population planning.

[(e)**]** *(f)* RESEARCH AND ANALYSIS.—(1) * * *

* * * * * * *

[(f)**]** *(g)* PROHIBITION ON USE OF FUNDS FOR ABORTIONS AND INVOLUNTARY STERILIZATIONS.—(1) * * *

* * * * * * *

[(g)**]** *(h)* AUTHORIZATIONS OF APPROPRIATIONS.—**[**(1) There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

[(A) $290,000,000 for fiscal year 1986 and $290,000,000 for fiscal year 1987 to carry out subsection (b) of this section; and

[(B) $205,000,000 for fiscal year 1986 and $180,000,000 for fiscal year 1987 to carry out subsection (c) of this section.

[(2) Funds appropriated under this subsection are authorized to remain available until expended.**]** *(1) There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—*

(A) $201,899,000 for fiscal year 1990 to carry out subsection (b) of this section; and

(B) $124,908,000 for fiscal year 1990 to carry out subsection (c) of this section.

* * * * * * *

SEC. 105. EDUCATION AND HUMAN RESOURCES DEVELOPMENT.—(a) In order to reduce illiteracy, to extend basic education, and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration, and human resource development. **[**There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $180,000,000 for fiscal year 1986 and $180,000,000 for fiscal year 1987, which are authorized to remain available until expended.**]** *There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $132,132,000 for fiscal year 1990, which are authorized to remain available until expended.*

[(b)(1)] *(b)* Assistance provided under this section shall be used primarily to expand and strengthen nonformal education methods, especially those designed to improve productive skills of rural families and the urban poor and to provide them with useful information; to increase the relevance of formal education systems to the needs of the poor, especially at the primary level, through reform of curricula, teaching materials, and teaching methods, and improved teacher training; and to strengthen the management capabilities of institutions which enable the poor to participate in development. Assistance under this section shall also be provided for advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

[(2)(A)(i) Of the amounts authorized to be appropriated to carry out this section for the fiscal year 1987, 1988, and 1989, not less than $4,000,000 shall be used in each such fiscal year to finance education, training, and scholarships for the victims of apartheid, including teachers and other educational professionals, who are including teachers and other educational professionals, who are attending universities and colleges in South Africa. Amounts available to carry out this subparagraph shall be provided in accordance with the provisions of section 802(c) of the International Security and Development Cooperation Act of 1985.

[(ii) Funds made available for each such fiscal year for purposes of chapter 4 of part II of this Act may be used to finance such education, training, and scholarships in lieu of an equal amount made available under this subparagraph.

[(B)(i) In addition to amounts used for purposes of subparagraph (A), the agency primarily responsible for administering this part, in collaboration with other appropriate departments or agencies of the United States, shall use assistance provided under this section or chapter 4 of part II of this Act to finance scholarships for students pursuing secondary school education in South Africa. The selection of scholarship recipients shall be by a nationwide panel or by regional panels appointed by the United States chief of diplomatic mission to South Africa.

[(ii) Of the amounts authorized to be appropriated to carry out this section and chapter 4 of part II of this Act for the fiscal years 1987, 1988, and 1989, up to an aggregate of $1,000,000 may be used in each such fiscal year for purposes of this subparagraph.

[(C)(i) In addition to the assistance authorized in subparagraph (A), the agency primarily responsible for administering this part shall provide assistance for in-service teacher training programs in South Africa through such nongovernmental organizations as TOPS or teachers' unions.

[(ii) Of the amounts authorized to be appropriated to carry out this section and chapter 4 of part II of this Act, up to an aggregate of $500,000 for the fiscal year 1987 and up to an aggregate of $1,000,000 for the fiscal year 1988 may be used for purposes of this subparagraph, subject to standard procedures for project review and approval.]

[(c) * * * [Repealed—1979]]

(c) Global Basic Education Enhancement.—

(1) FINDINGS.—The Congress makes the following findings:

(A) Basic education, which includes primary education for children and literacy training adults, is necessary to promote the socialand economic development of people and nations, including the development of the necessary knowledge, skills, and productive capacities of the work force.

(B) Basic education increases the effectiveness of investments in other development sectors. The poorer the country, the higher the payoff for teaching its citizens to read, write, and perform basic arithemetic skills.

(C) Improvements in educational levels, particularly of women, are strongly associated with increasing agricultural productivity, improving nutritional status, declining infant and child mortality, and slowing population growth.

(D) Literacy rates in many countries which receive assistance from the agency primarily responsible for administering this part are very low.

(E) Subsection (a) authorizes the appropriation of funds to the President in order "to reduce illiteracy, to extend basic education, and to increase manpower training in skills related to development".

(F) As a percentage of development assistance funding for education, funding for basic education enhancement has been declining in recent years.

(G) The agency primarily responsible for administering this part could have a substantial role in improving the efficiency and cost-effectiveness of educational systems in developing countries if more resources were directed toward enhancing basic education.

(2) FUNDING FOR BASIC EDUCATION IN DEVELOPING COUNTRIES.—Not less than 30 percent of funds authorized to be appropriated to carry out this section for fiscal year 1991 and each fiscal year thereafter shall be available only for programs whose effect is to reduce illiteracy and extend basic education. The extension of basic education may include—

(A) increasing the relevance of formal education systems to the needs of the poor (especially at the primary level) through reform of curricula, teaching materials, and teaching methods and through improved teacher training; and

(B) expanding and strengthening nonformal education methods, especially those designed to improve productive skills of rural families and the urban poor and to provide them with useful information.

(3) EFFECTIVE DATE.—The amendment made by paragraph (2) shall apply with respect to fiscal year 1991 and each fiscal year thereafter.

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SEC. 106. ENERGY, PRIVATE VOLUNTARY ORGANIZATIONS, AND SELECTED DEVELOPMENT ACTIVITIES.—(a) * * *

* * * * * * *

(e) [(1) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $207,000,000 for fiscal year 1986 and $207,000,000 for fiscal year 1987.] *(1) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $132,123,000 for the fiscal year 1990.*

* * * * * * *

SEC. 108. APPLICATION OF EXISTING PROVISION.—* * * [Repealed—1978]

SEC. 108. PRIVATE SECTOR REVOLVING FUND.—(a) * * *

(b) [Of the funds made available under this chapter in each of the fiscal years 1986 and 1987 up to $18,000,000 may be deposited in this account.] *Of the funds made available under this chapter in fiscal year 1990, up to $5,000,000 may be deposited in the account established under subsection (a).* Such funds used in accordance with the policies and authorities of this section shall be in addition to other funds available for private sector activities under other authorities in this Act. Any reflows and income arising from activities carried out pursuant to this section, including loan repayments and fee income (as provided in subsection (e) of this section), shall be deposited into the revolving fund and remain available to carry out the purposes of this section. All funds in such account may be invested in obligations of the United States.

* * * * * *

[SEC. 113. INTEGRATING WOMEN INTO NATIONAL ECONOMIES.—(a) In recognition of the fact that women in developing countries play a significant role in economic production, family support, and the overall development process of the national economies of such countries, this part shall be administered so as to give particular attention to those programs, projects, and activities which tend to integrate women into the national economies of developing countries, thus improving their status and assisting the total development effort.]

SEC. 113. WOMEN IN DEVELOPMENT.—(a) In recognition of an overwhelming body of research which shows that a high level of women's participation in development activities is essential to project success and sustainability necessary to achieve the purposes of this part, the Administrator of the agency primarily responsible for administering this part shall seek to ensure that—

(1) programs, projects, and activities carried out under this part incorporate the active participation of local women and local women's organizations (including their involvement in the planning, design, implementation, management, monitoring, and evaluation of the activities);

(2) sex-disaggregated data is collected and maintained for every country development strategy statement, project identification document, project paper, program assistance identification proposal, program assistance approval document, policy inventory, and all relevant research projects;

(3) country strategies, and where appropriate, programs, projects, and activities are designed so that the percentage of

women who receive assistance is in approximate proportion to their traditional participation in such program, project or activity or their proportion of the population, whichever is higher;

(4) whenever any country development strategy, program, project or activity is unable to be designed so that assistance will reach women in the proportion specified in paragraph (3), the appropriate document referred to in paragraph (2) identifies—

(A) the obstacles to achieving the required participation of women;

(B) the steps being taken to remove or overcome such obstacles; and

(C) to the extent that steps are not being taken to remove or overcome such obstacles, why such steps are not being taken; and

(5) project and program evaluations include an assessment of the extent to which women are being integrated into the development process and the impact of such project or program on enhancing the self-reliance of women and improving their incomes.

SEC. 116. HUMAN RIGHTS.—(a) * * *

* * * * * * *

(e)(1) The President is authorized and encouraged to use not less than $3,000,000 of the funds made available under this chapter and chapter 4 of part II for each fiscal year for studies to identify, and for openly carrying out, programs and activities which will encourage or promote increased adherence to civil and political rights, as set forth in the Universal Declaration of Human Rights, in countries eligible for assistance under this chapter. None of these funds may be used, directly or indirectly, to influence the outcome of any election in any country. *Funds authorized to be appropriated to carry out section 120 of this Act may only be used with respect to countries in sub-Saharan Africa.*

* * * * * * *

SEC. 117. ASSISTANCE FOR DISADVANTAGED SOUTH AFRICANS.—In providing assistance under this chapter or under chapter 4 of part II of this Act for disadvantaged South Africans, priority shall be given to working with and through South African nongovernmental organizations whose leadership and staff are selected on a nonracial basis, and which have the support of the disadvantaged communities being served. The measure of this community support shall be the willingness of a substantial number of disadvantaged persons to participate in activities sponsored by these organizations. [Such organizations to which such assistance may be provided include the Educational Opportunities Council, the South African Institute of Race Relations, READ, professional teachers' unions, the Outreach Program of the University of the Western Cape, the Funda Center in Soweto, SACHED, UPP Trust, TOPS, the Wilgespruit Fellowship Center (WFC), and civic and other organizations working at the community level which do not receive funds from the Government of South Africa.] *Such organizations to which assistance may be provided include educational, civil and* *other organizations working at the community level which do not receive funds from the Government of South Africa.*

* * * * * * *

Sec. 119. Endangered Species.—(a) * * *

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(b) In order to preserve biological diversity, the President is authorized to furnish assistance under this part, *not withstanding section 660,* to assist countries in protecting and maintaining wildlife habitats and in developing sound wildlife management and plant conservation programs. Special efforts should be made to establish and maintain wildlife sanctuaries, reserves, and parks; to enact and enforce anti-poaching measures; and to identify, study, and catalog animal and plant species, especially in tropical environments.

[Sec. 120. Sahel Development Program—Planning.—(a) The Congress reaffirms its support of the initiative of the United States Government in undertaking consultations and planning with the countries concerned, and with other nations providing assistance, with the United Nations, and with other concerned international and regional organizations, toward the development and support of a comprehensive long-term African Sahel development program.

[(b) The President is authorized to develop a long-term comprehensive development program for the Sahel and other drought-stricken nations in Africa.

[(c) In developing this long-term program, the President shall—

[(1) consider international coordination for the planning and implementation of such program;

[(2) seek greater participation and support by African countries and organizations in determining development priorities; and

[(3) begin such planning immediately.

[(d) * * * [Repealed—1978]

[Sec. 121. Sahel Development Program—Implementation.—(a) The President is authorized to furnish assistance, on such terms and conditions as he may determine, for the long-term development of the Sahelian region. Assistance furnished under this section shall be in accordance with a long-term, multidonor development plan which calls for equitable burden sharing with other donors and shall be furnished, whenever appropriate, in cooperation with an international coordinating mechanism.

[(b) The President shall prepare an annual report on the Sahel Development Program concerning the allocation of the United States contribution to the Program, the extent of the contributions from other donor countries, the effectiveness of the integrated effort through the Club des Amis du Sahel, and the progress made in achieving the objectives of the program.

[(c) There are authorized to be appropriated to the President for purposes of this section beginning in the fiscal year 1978, in addition to funds otherwise available for such purposes, $200,000,000, except that not to exceed $50,000,000, may be appropriated under this section for the fiscal year 1978. In addition to the amount authorized in the preceding sentence and to funds otherwise available for such purposes, there are authorized to be appropriated to the President for purposes of this section $25,000,000. In addition the amounts authorized in the preceding sentences and to funds otherwise available for such purposes, there are authorized to be appropriated to the President for purposes of this section $86,558,000 for the fiscal year 1986 and $87,750,000 for the fiscal year 1987. Amounts appropriated under this section are authorized to remain available until expended.

[(d) Funds available to carry out this section (including foreign currencies acquired with funds appropriated to carry out this section) may not be made available to any foreign government for disbursement unless the Administrator of the Agency for International Development determines that the foreign government will maintain a system of accounts with respect to those funds which will provide adequate identification of and control over the receipt and expenditure of those funds.

[(e) Grants shall be made under this section to Sahel Development Program host governments in order to help them enhance their administrative capabilities to meet the administrative requirements resulting from donor country projects and activities.]

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SEC. 123. PRIVATE AND VOLUNTARY ORGANIZATIONS AND COOPERATIVES IN OVERSEAS DEVELOPMENT.—(a) * * *

* * * * * * *

(b)(1) United States private and voluntary organizations and cooperatives have proven to be an efficient and effective means of providing people-to-people assistance which has sustainable and lasting impact in benefiting the lives of the poor. In reflecting American values and generosity and in leveraging public funds with private resources, assistance provided through private and voluntary organizations and cooperatives builds long-term friendships for the United States. Accordingly, the Administrator of the agency primarily responsible for administering this part shall increase the involvement in assistance programs of these private non-profit channels for the delivery of assistance, without compromising their private and independent nature. Such increased involvement should include increased consultation with, and increased direct funding through, private and voluntary organizations and cooperatives.

(2) The Administrator primarily responsible for administering this part shall undertake to—

(A) develop specific mechanisms for regular consultation, in the formulation of development strategies for countries and sectors, with private and voluntary organizations and cooperatives which have development experience and expertise relevant to those countries and sectors; and

(B) provide appropriate assistance to those organizations and cooperatives to support improvements in their planning, management, evaluation, and coordination activities.

(c) The Congress encourages the Administrator of the agency primarily responsible for administering this part to support fully and encourage development education programs. Private and voluntary organizations and cooperatives can play an important and unique

catalytic role in development education to inform, motivate, and involve United States citizens in programs about developing countries or in the development process. Such programs—

(1) increase the understanding of Americans about the importance of the developing world;

(2) transfer factual information on global, social, economic, and political structures and problems;

(3) foster understanding of development as a process that involves all nations;

(4) create a broad global consciousness and awareness of transnational problems;

(5) promote values and attitudes which encourage a feeling of responsibility to correct injustices; and

(6) engage citizens in activities which lead to the improvement of the quality of life for all peoples.

(d) The Congress encourages the fuller utilization of private indigenous organizations and cooperatives in the implementation of activities authorized by this part. Public and private technical and financial assistance from United States private and voluntary organizations and cooperatives can accelerate the strengthening of these organizations and their ability to assist the poor.

(e) In order to enable them to undertake additional development activities in furtherance of section 102, United States and indigenous private and voluntary organizations and cooperatives shall be provided with increased amounts of local currencies owned by the United States or generated through United States Government agreements with host countries under this part, the Agricultural Trade Development and Assistance Act of 1954, or under section 416(b) of the Agricultural Act of 1949. The Administrator is encouraged to provide financial assistance in dollars to initiate and supplement private resources of United States private and voluntary organizations and cooperatives for technical assistance and administrative costs associated with such local currency programs with partner institutions in foreign countries.

(f) Up to $20,000,000 in fiscal year 1990 may be made available to private and voluntary organizations and cooperatives under this chapter and chapter 4 of part II to design, initiate, expand, and enhance food assistance programs that reach the poor in conjunction with food made available under title II of the Agricultural Trade Development and Assistance Act of 1954 and section 416(b) of the Agricultural Act of 1949.

(g)(1) The Congress finds that one of the most effective and least costly ways to maintain and restore the natural resource base in developing countries can be through small-scale, affordable, participatory projects using methods suited to the local environment.

(2)(A) Assistance under this part may support private and voluntary organizations in carrying out resource conserving development projects, training, and education programs to promote sustainable agricultural development practices.

(B) Particular emphasis should be placed on agricultural and rural development projects which utilize environmentally sound land and water management technologies, including agro-forestry, water harvesting, soil conservation, reforestation, range and pasture management, small-scale irrigation systems, family gardens, park

management, renewable and decentralized energy techniques, and the training of local staff on more effective community-based extension techniques that promise greater choice, improved communications, and the more active involvement of farmers in projects utilizing these technologies.

(h) The Administrator of the agency primarily responsible for administering this part may use up to $20,000,000 of the funds made available to carry out this part for each fiscal year, or an equivalent amount in local currencies, for a program pursuant to which grants are made to United States private and voluntary organizations and cooperatives for use in financing small loan activities of private indigenous organizations in furtherance of section 102. The program established pursuant to this subsection shall be administered separately from other programs of the agency.

[(b)**]** *(i)* In order to further the efficient use of United States voluntary contributions for development, relief, and rehabilitation of friendly peoples, the President is authorized to use funds made available for the purposes of this chapter to pay transportation charges on shipments by the American National Red Cross and by United States voluntary agencies registered with the Agency for International Development.

[(c)**]** *(j)* Reimbursement under this section may be provided for transportation charges on shipments from United States ports, or in the case of excess or surplus property supplied by the United States from foreign ports, to ports of entry abroad or to points of entry abroad in cases (1) of landlocked countries, (2) where ports cannot be used effectively because of natural or other disturbances, (3) where carriers to a specified country are unavailable, or (4) where a substantial savings in costs or time can be effected by the utilization of points of entry other than ports.

[(d)**]** *(k)* Where practicable, the President shall make arrangements with the receiving country for free entry of such shipments and for the making available by the country of local currencies for the purpose of defraying the transportation costs of such shipments from the port or point of entry of the receiving country to the designated shipping point of the consignee.

[(e)**]** *(l)* Prohibitions on assistance to countries contained in this or any other Act shall not be construed to prohibit assistance by the agency primarily responsible for administering this part in support of programs of private and voluntary organizations and cooperatives already being supported prior to the date such prohibition becomes applicable. The President shall take into consideration, in any case in which statutory prohibitions on assistance would be applicable but for this subsection, whether continuation of support for such programs is in the national interest of the United States. If the President continues such support after such date, he shall prepare and transmit, not later than one year after such date, to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate a report setting forth the reasons for such continuation.

[(f) *(m)* For each of the fiscal years 1986 through 1989 funds in an amount not less than thirteen and one-half percent of the aggregate amount appropriated for that fiscal year to carry out sections 103(a), 104(b), 104(c), 105, 106, **[**121,**]** and 491 of this Act shall be made available for the activities of private and voluntary organizations, and the President shall seek to channel funds in an amount not less than sixteen percent of such aggregate amount for the activities of private and voluntary organizations. Funds made available under chapter 4 of part II of this Act for the activities of private and voluntary organizations may be considered in determining compliance with the requirements of this subsection.

[(g) *(n)* After December 31, 1984, funds made available to carry out section 103(a), 104(b), 104(c), 105, 106, **[**121,**]** or 491 of this Act may not be made available for programs of any United States private and voluntary organization which does not obtain at least 20 percent of its total annual financial support for its international activities from sources other than the United States Government, except that this restriction does not apply with respect to programs which, as of that date, are receiving financial support from the agency primarily responsible for administering this part. The Administrator of the agency primarily responsible for administering this part may, on a case-by-case basis, waive the restriction established by this subsection, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency primarily responsible for administering this part.**]**

(m)(1) For each fiscal year, not less than 15 percent of the funds described in paragraph (2) shall be made available for the activities of private and voluntary organizations and cooperatives, and the President shall seek to channel not less than 25 percent of the funds described in subparagraph (A) of paragraph (2) for the activities of private and voluntary organizations and cooperatives.

(2) Paragraph (1) applies with respect to the aggregate of—

(A) the funds appropriated to carry out sections 103, 104(b), 104(c)(1), 104(c)(2), 105, 106 and 491 of this Act; plus

(B) if the President so determines, the funds used for the activities of private and voluntary organizations and cooperatives under chapter 4 of part II of this Act.

(n) Funds made available to carry out this part may not be made available to any United States private and voluntary organization (other than a cooperative development organization) which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government. In calculating the amount of Government support received by an organization, there shall be excluded the value of commodities (and related transportation) made available for overseas distribution and the value of contracts for services, grants, and other activities initiated primarily by the agency primarily responsible for administering this part.

[(h)**]** *(o)* The Congress recognizes that, in addition to their role in social and economic development, cooperatives provide an opportunity for people to participate directly in democratic decisionmaking. Therefore, assistance under this chapter shall be provided to rural and urban cooperatives which offer large numbers of low- and middle-income people in developing countries an opportunity to participate directly in democratic decisionmaking. Such assistance shall be designed to encourage the adoption of self-help, private sector cooperative techniques and practices which have been successful in the United States.

[SEC. 126. DEVELOPMENT AND ILLICIT NARCOTICS PRODUCTION.—(a) The Congress recognizes that illicit narcotics cultivation is related to overall development problems and that the vast majority of all individuals employed in the cultivation of illicit narcotics reside in the developing countries and are among the poorest of the poor in those countries and that therefore the ultimate success of any effort to eliminate illicit narcotics production depends upon the availability of alternative economic opportunities for those individuals, upon other factors which assistance under this chapter could address, as well as upon direct narcotics control efforts.

[(b)(1) In planning programs of assistance under this chapter and under chapter 4 of part II for countries in which there is illicit narcotics cultivation, the agency primarily responsible for administering this part should give priority consideration to programs which would help reduce illicit narcotics cultivation by stimulating broader development opportunities.

[(2) The agency primarily responsible for administering this part may utilize resources for activities aimed at increasing awareness of the effects of production and trafficking of illicit narcotics on source and transit countries.

[(c) In furtherance of the purposes of this section, the agency primarily responsible for administering this part shall cooperate fuly with, and share its expertise in development matters with, other agencies of the United States Government involved in narcotics control activities abroad.

[SEC. 127. ACCELERATED LOAN REPAYMENTS.—The Administrator of the agency primarily responsible for administering this part shall conduct an annual review of bilateral concessional loan balances and shall determine and identify those countries whose financial resources make possible accelerated loan repayments. In particular, European countries that were recipients of concessional loans by predecessor agencies to the agency primarily responsible for administering this part shall be contacted to negotiate accelerated repayments. The criteria used by the Administrator in making these determinations shall be established in conjunction with the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.]

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[SEC. 206. REGIONAL DEVELOPMENT IN AFRICA.—The President is requested to seek and to take appropriate action, in cooperation and consultation with African and other interested nations and with international development organizations, to further and assist in the advancement of African regional development institutions, including the African Development Bank, with the view toward promoting African economic development.]

* * * * * * *

[SEC. 209. MULTILATERAL AND REGIONAL PROGRAMS.—(a) The Congress recognizes that the planning and administration of development assistance by, or under the sponsorship of the United Nations, multilateral lending institutions, and other multilateral organizations may contribute to the efficiency and effectiveness of that assistance through participation of other donors in the development effort, improved coordination of policies and programs, pooling of knowledge, avoidance of duplication of facilities and manpower, and greater encouragement of self-help performance.

[(b) It is further the sense of the Congress (1) that where problems or opportunities are common to two or more countries in a region, in such fields as agriculture, education, transportation, communications, power, watershed development, disease control, and establishment of development banks, these countries ofter can more effectively resolve such problems and exploit such opportunities by joining together in regional organizations or working together on regional programs, (2) that assistance often can be utilized more efficiently in regional programs than in separate country programs, and (3) that to the maximum extent practicable consistent with the purposes of this Act assistance under this Act should be furnished so as to encourage less developed countries to cooperate with each other in regional development programs.

[(c) It is the sense of the Congress that the President should increase, to the extent practicable, the funds provided by the United States to multilateral lending institutions and multilateral organizations in which the United States participates for use by such institutions and organizations in making loans to foreign countries.

[(d) In furtherance of the provisions of subsection (a) of this section, any funds appropriated under this part I may be transferred by the President to the International Development Association, the International Bank for Reconstruction and Development, the International Finance Corporation, the Asian Development Bank or other multilateral lending institutions and multilateral organizations in which the United States participates for the purpose of providing funds to enable any such institution or organization to make loans to foreign countries.]

SEC. 214. AMERICAN SCHOOLS AND HOSPITALS ABROAD.—(a)* * *

* * * * * * *

(c) [(1) To carry out the purposes of this section, there are authorized to be appropriated to the President $35,000,000 for fiscal year 1986 and $35,000,000 for fiscal year 1987.] *(1) To carry out the purposes of this section, there are authorized to be appropriated to the President $44,000,000 for fiscal year 1990.*

* * * * * * *

[SEC. 219. PROTOTYPE DESALTING PLANT.—(a) In furtherance of purposes of this part and for the purpose of improving existing, and developing and advancing new technology and experience in the design, construction, and operation of large-scale desalting plants of advanced concepts which will contribute materially to low-cost desalination in all countries, including the United States, the President, if he determines it to be feasible, is authorized to participate in the development of a large-scale water treatment and desalting prototype plant and necessary appurtenances to be constructed in Israel as an integral part of a dual-purpose power generating and desalting project. Such participation shall include financial, technical, and such other assistance as the President deems appropriate to provide for the study, design, construction, and, for a limited demonstration period of not to exceed five years, operation and maintenance of the water treatment and desalting facilities of the dual-purpose project.

[(b) Any agreement entered into under subsection (a) of this section shall include such terms and conditions as the President deems appropriate to insure, among other things, that all information, products, uses, processes, patents, and other developments obtained or utilized in the development of this prototype plant will be available without further cost to the United States for the use and benefit of the United States throughout the world, and to insure that the United States, its officers and employees have a permanent right to review data and have access to such plant for the purpose of observing its operations and improving science and technology in the field of desalination.

[(c) In carrying out the provisions of this section, the President may enter into contracts with public or private agencies and with any person without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529 and 41 U.S.C. 5).

[(d) Nothing in this section shall be construed as intending to deprive the owner of any background patent or any right which such owner may have under that patent.

[(e) In carrying out the provisions of this section, the President may utilize the personnel, services, and facilities of any Federal agency.

[(f) The United States costs, other than its administrative costs, for the study, design, construction, and operation of a prototype plant under this section shall not exceed either 50 per centum of the total capital costs of the facilities associated with the production of water, and 50 per centum of the operation and maintenance costs for the demonstration period, or $20,000,000, whichever is less. There are authorized to be appropriated, subject to the limitations of this subsection, such sums as may be necessary to carry out the provisions of this section, including administrative costs thereof. Such sums are authorized to remain available until expended.

[(g) No funds appropriated for the Office of Saline Water pursuant to the appropriation authorized by the Act of July 11, 1969 (83 Stat. 45, Public Law 91-43), or prior authorization Acts, shall be used to carry out the purposes of this section.]

SEC. 222. AUTHORIZATION.—(a) To carry out the policy of section 221, the President is authorized to issue guaranties to eligible investors (as defined in section 238(c)) assuring agianst losses incurred in connection with loans made for projects meeting the criteria set forth in section 221. The total principal amount of guaranties issued under this title or heretofore issued under prior housing guaranty authorities, which are outstanding at any one time, shall not exceed $2,158,000,000. The authority of this section shall continue through September 30, [1990.] *1991.* The President may issue regulations from time to time with regard to the terms and conditions upon which such guaranties shall be issued and the eligibility of lenders.

* * * * * * *

SEC. 223. GENERAL PROVISIONS.—(a) * * *

* * * * * * *

[(b) The amount of $50,000,000 of fees accumulated under prior investment guaranty provisions repealed by the Foreign Assistance Act of 1969, together with all fees collected in connection with garanties issued under section 222 or under prior housing guaranty authorities, shall be available for meeting necessary administrative and operating expenses of carrying out the provisions of section 222 *(including urban programs under such section)* and administering housing guaranties heretofore authorized under this title and under prior housing guaranty provisions repealed by the Foreign Assistance Act of 1969 (including, but not limited to expenses pertaining to personnel, supplies, and printing), subject to such limitations as may be imposed in annual appropriation Acts; for meeting management and custodial costs incurred with respect to currencies or other assets acquired under guaranties made pursuant to section 222 or heretofore pursuant to this title or prior Latin American and other housing guaranty authorities repealed by the Foreign Assistance Act of 1969; and to pay the cost of investigating and adjusting (including cost of arbitration) claims under such guaranties; and shall be available for expenditure in discharge of liabilities under such guaranties until such time as all such property has been disposed of and all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of this subsection. Fees collected in connection with guaranties issued under section 222A shall likewise be available to meet similar expenses, costs, or liabilities incurred in connection with the programs authorized by that section. All of the foregoing fees referred to in this section together with earnings thereon and other income arising from guaranty operations under this title shall be held in a revolving fund account maintained in the Treasury of the United States. All funds in such account may be invested in obligations of the United States. Any interest or other receipts derived from such investments shall be creditied to such account and may be used for the purposes cited in this section.

* * * * * * *

(e)(1) * * *

* * * * * * *

(2)(A) In order to meet obligations incurred for the payment of claims pursuant to loan guaranties described in subsection (d), the Administrator of the agency primarily responsible for administering part I may, to the extent that reserves are not sufficient, borrow from time to time from the Treasury. [except that—

[(i) the Administrator may exercise the authority to borrow under this paragraph only to such extent or in such amounts as are provided in advance in appropriation Acts; and

[(ii) the amount borrowed under this paragraph which is outstanding at any one time may not exceed $100,000,000.]

* * * * * * *

(j) Guaranties shall be issued under section 222 only for housing projects which are coordinated with and complementary to any development assistance being furnished under chapter 1 of this part and which are specifically designed to demonstrate the feasibility and suitability of particular kinds of housing or of financial or other institutional arrangements. Of the aggregate face value of housing guaranties hereafter issued under this title, not less than 90 per centum shall be issued for housing suitable for families with income below the median income (below the median urban income for housing in urban areas) in the country in which the housing is located. The face value of guaranties issued with respect to housing in any country shall not exceed [$25,000,000] *$50,000,000* in any fiscal year[, and the average face value of guaranties issued in any fiscal year shall not exceed $15,000,000. Of the total amount of housing guaranties authorized to be issued under section 222 through September 30, 1982, not less than a face amount of $25,000,000 shall be issued for projects in Israel and not less than a face amount of $25,000,000 shall be issued for projects in Egypt.]

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SEC. 224. TRADE CREDIT INSURANCE PROGRAM.—(a) * * *

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(c) The Agency shall not enter into any commitments to guarantee under subsection (a) after September 30, [1989.] *1992.*

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(e) Commitments to guarantee under subsection (a) are authorized only to the extent and in the amounts provided in appropriations Acts, except that the aggregate amount of outstanding commitments under subsection (a) may not exceed $300,000,000 of contingent liability for loan principal during fiscal year 1986 and may not exceed $400,000,000 of contingent liability for loan principal during fiscal year 1987. *To the extent and in the amounts provided in appropriations Acts, during fiscal year 1990, commitments entered into to guaranty or insure loans under subsection (a) shall not exceed $200,000,000 of contingent liability for loan principal.*

* * * * * * *

[SEC. 241. ASSISTANCE TO CERTAIN DISADVANTAGED CHILDREN IN ASIA.—(a) The Congress recognizes the humanitarian needs of disadvantaged children in Asian countries where there has been or continues to be a heavy presence of United States military and related personnel in recent years. Moreover, the Congress finds that inadequate provision has been made for the care and welfare of such disadvantaged children, particularly those fathered by the United States citizens.

[(b) Accordingly, the President is authorized to expend up to $3,000,000 of funds made available under chapter 1 of this part, in addition to funds otherwise available for such purposes, to help meet the needs of these disadvantaged children in Asia by assisting in the expansion and improvement of orphanages, hostels, day care centers, school feeding programs, and health, education, and welfare programs. Assistance provided under this section shall be furnished under the auspices of and by international organizations or private voluntary agencies operating within, and in cooperation with, the countries of Asia where those disadvantaged children reside.]

SEC. 302. AUTHORIZATION.—[(a)(1) There are authorized to be appropriated to the President $270,000,000 for fiscal year 1986 and $236,084,000 for fiscal year 1987 for grants to carry out the purposes of this chapter, in addition to funds available under other Acts for such purposes. Of the amount appropriated for each of the fiscal years 1986 and 1987 pursuant to these authorizations—

[(A) 59.65 percent shall be for the United Nations Development Program;

[(B) 19.30 percent shall be for the United Nations Children's Fund;

[(C) 7.20 percent shall be for the International Atomic Energy Agency, except that these funds may be contributed to that Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency;

[(D) 5.44 percent shall be for Organization of American States development assistance programs;

[(E) 3.51 percent shall be for the United Nations Environment Program;

[(F) 0.70 percent shall be for the World Meteorological Organization;

[(G) 0.70 percent shall be for the United Nations Capital Development Fund;

[(H) 0.35 percent shall be for the United Nations Education and Training Program for Southern Africa;

[(I) 0.18 percent shall be for the United Nations Voluntary Fund for the Decade for Women;

[(J) 0.07 percent shall be for the Convention on International Trade in Endangered Species;

[(K) 0.70 percent shall be for the World Food Program;

[(L) 0.18 percent shall be for the United Nations Institute for Namibia;

[(M) 0.12 percent shall be for the United Nations Trust Fund for South Africa;

[(N) 0.04 percent shall be for the United Nations Voluntary Fund for Victims of Torture;

[(O) 0.07 percent shall be for the United Nations Industrial Development Organization;

[(P) 0.55 percent shall be for the United Nations Development Program Trust Fund To Combat Poverty and Hunger in Africa;

[(Q) 0.97 percent shall be for contributions to international conventions and scientific organizations;

[(R) 0.18 percent for the United Nations Center on Human Settlements (Habitat); and

[(S) 0.09 percent shall be for the World Heritage Fund.]

* * * * * * *

(a)(1) There are authorized to be appropriated to the President $257,415,000 for fiscal year 1990 for grants to carry out the purposes of this chapter and section 103(g) of this Act, in addition to funds available under other Acts for such purposes. Of this amount—

(A) not less than $120,000,000 shall be available only for the United Nations Development Program;

(B) not less than $60,400,000 shall be available only for the United Nations Children's Fund;

(C) not less than $17,000,000 shall be available only for the United Nations Environment Program;

(D) not less than $1,000,000 shall be available only for the United Nations Development Fund for Women; and

(E) not less than $16,000,000 shall be available for the United Nations Afghanistan Emergency Trust Fund.

* * * * * * *

[(3) * * * [Repealed—1981]]

(3) Funds authorized to be appropriated by paragraph (1) may be contributed to the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that agency.

* * * * * * *

[(b)(1) There is authorized to be appropriated to the President for loans for Indus Basin Development to carry out the purposes of this section, in addition to funds available under this or any other Act for such purposes, for use beginning in the fiscal year 1969, $61,220,000. Such amounts are authorized to remain available until expended.

[(2) There is authorized to be appropriated to the President for grants for Indus Basin Development, in addition to any other funds available for such purposes, for use in the fiscal year 1974, $14,500,000, and for use in the fiscal year 1975, $14,5000,000, and for use beginning in the fiscal year 1976, $27,000,000, which amounts shall remain available until expended. The President shall not exercise any special authority granted to him under section 610(a) or 614(a) of this Act to transfer any amount appropriated under this paragraph to, and to consolidate such amount with, any funds made available under any other provisions of this Act.]

* * * * * * *

[(i) In addition to amounts otherwise available under this section there are authorized to be appropriated for fiscal year 1976 $1,000,000 and for fiscal year 1977 $2,000,000 to be available only for the International Atomic Energy Agency to be used for the purpose of strengthening safeguards and inspections relating to nuclear missile facilities and materials. Amounts appropriated under this subsection are authorized to remain available until expended.

[(j) In addition to amounts otherwise available under this section for such purposes, there are authorized to be appropriated to the President $3,000,000 for fiscal year 1989 to be available only for United States contributions to multilateral and regional drug abuse control programs. Of the amount authorized to be appropriated by this subsection—

[(1) $2,000,000 shall be for a United States contribution to the United Nations Funds for Drug Abuse Control;

[(2) $600,000 shall be for the Organization of American States (OAS) Inter-American Drug Abuse Control Commission (CICAD) Legal Development Project, except that the proportion which such amount bears to the total amount of contributions to this specific project may not exceed the proportion which the United States contribution to the budget of the Organization of American States for that fiscal year bears to the total contributions to the budget of the Organization of American States for that fiscal year; and

[(3) $400,000 shall be for the Organization of American States (OAS) Inter-American Drug Abuse Control Commission (CICAD) Law Enforcement Training Project, except that the proportion which such amount bears to the total amount of contributions to this specific project may not exceed the proportion which the United States contribution to the budget of the Organization of American States for that fiscal year bears to the total contributions to the budget of the Organization of American States for that fiscal year.

[SEC. 303. INDUS BASIN DEVELOPMENT.—In the event that funds made available under this Act (other than part II) are used by or under the supervision of the International Bank for Reconstruction and Development in furtherance of the development of the Indus Basin through the program of cooperation among South Asisn and other countries of the free world, which is designed to promote economic growth and political stability in South Asia, such funds may be used in accordance with requirements, standards, or procedures established by the Bank concerning completion of plans and cost estimates and determination of feasibility, rather than with requirements, standards, or procedures concerning such matters set forth in this or other Acts; and such funds may also be used without regard to the provisions of section 901(b) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1241),[315] whenever the President determines that such provisions cannot be fully satisfied without seriously impeding or preventing accomplishment of the purposes of such programs: *Provided,* That compensating allowances are made in the administration of other programs to the same or other areas to which the requirements of said section 901(b) are applicable.]

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CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

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SEC. 307. WITHHOLDING OF UNITED STATES PROPORTIONATE SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS.—(a) * * *

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SEC. 308. PARTICIPATION BY ISRAEL IN THE UNITED NATIONS.—If Israel is illegally expelled, suspended, denied its credentials, or in any other manner denied its right to participate in any principal or *subsidiary organ or in any specialized, technical, or other agency of the United Nations, the United States shall suspend its participation in, and contributions to, any such organ or agency until the illegal action or denial of rights is reversed.*

* * * * * * *

SEC. 451. CONTINGENCIES.—(a) [(1) Notwithstanding any other provision of law, the President is authorized to use not to exceed $10,000,000 of funds made available in any fiscal year to carry out any provision of this Act (other than the provisions of chapter 1 of this part) in order to provide, for any emergency purposes, assistance authorized by this part in accordance with the provisions applicable to the furnishing of such assistance.] *(1) Notwithstanding any other provision of law, the President is authorized to use funds made available to carry out any provision of this Act (other than the provisions of chapter 1 of this part) in order to provide, for any emergency purposes, assistance authorized by this part in accordance with the provisions applicable to the furnishing of such assistance, except that the authority of this subsection may not be used to authorize the use of more than $50,000,000 during any fiscal year.*

* * * * * * *

[SEC. 494. DISASTER RELIEF ASSISTANCE.—There is authorized to be appropriated, in addition to other sums available for such purposes, $65,000,000 for use by the President for disaster relief and emergency recovery needs in Pakistan, and Nicaragua, under such terms and conditions as he may determine, such sums to remain available until expended.]

* * * * * * *

[SEC. 495B. ITALY RELIEF AND REHABILITATION.—(a) In addition to amounts otherwise available for such purpose, there is authorized to be appropriated $25,000,000 for the fiscal year 1976 to furnish assistance under this chapter for the relief and rehabilitation of the people who have been victimized by the recent earthquake in Italy. Amounts appropriated under this section are authorized to remain available until expended.

[(b) There are authorized to be appropriated to the President $30,000,000 for the fiscal year 1978 for relief, rehabilitation, and reconstruction assistance, in accordance with the provisions of section 491 and on such terms and conditions as he may determine, for the people who have been victimized by the recent earthquakes in Italy. Amounts appropriated under this subsection are authorized to remain available until expended.

[(c) Obligations incurred prior to the date of enactment of this section against other appropriations or accounts for the purpose of providing relief and rehabilitation assistance to the people of Italy may be charged to the appropriations authorized under this section.

[(d)(1) The Congress recognizes that prompt United States assistance is necessary to alleviate the human suffering arising from the earthquakes in southern Italy in late 1980. Accordingly, there are authorized to be appropriated to the President, in addition to amounts otherwise available for such purpose, $50,000,000 for the fiscal year 1981 for relief, rehabilitation, and reconstruction assistance for the victims of those earthquakes. Such assistance shall be provided in accordance with the policies and general authorities of section 491 and on such terms and conditions as the President may determine.

[(2) Amounts appropriated under this subsection are authorized to remain available until expended.

[(3) Obligations incurred against other appropriations or accounts for the purpose of providing relief, rehabilitation, and reconstruction assistance for the victims of the late 1980 earthquakes in southern Italy may be charged to appropriations, enacted after those obligations were incurred, for assistance for that purpose under this chapter.

[SEC. 495C. LEBANON RELIEF AND REHABILITATION.—(a) The Congress, recognizing that prompt United States assistance is necessary to alleviate the human suffering arising from the civil strife in Lebanon and to restore the confidence of the people of Lebanon, authorizes the President to furnish assistance, on such terms and conditions as he may determine, for the relief and rehabilitation of refugees and other needy people in Lebanon.

[(b) There is authorized to be appropriated to the President for the purposes of this section, in addition to amounts otherwise available for such purposes, $20,000,000, which amount is authorized to remain available until expended.

[(c) Assistance under this section shall be provided in accordance with the policies and general authority contained in section 491.

[(d) Obligations incurred prior to the date of enactment of this section against other appropriations or accounts for the purpose of providing relief and rehabilitation assistance to the people of Lebanon may be charged to the appropriations authorized under this section.

[(e) * * * [Repealed—1978]

[SEC. 495D. ROMANIAN RELIEF AND REHABILITATION.—(a) The Congress, recognizing that prompt United States assistance is necessary to alleviate the human suffering arising from recent earthquakes in Romania, authorizes the President to furnish assistance, on such terms and conditions as he may determine, for the relief and rehabilitation of refugees and other earthquake victims in Romania.

[(b) There are hereby authorized to be appropriated to the President for the fiscal year 1977, notwithstanding any other provisions of this Act, in addition to amounts otherwise available for such purposes, not to exceed $20,000,000, which amount is authorized to remain available until expended.

[(c) Assistance under this section shall be provided in accordance with the policies and general authority contained in section 491.

[(d) Obligations incurred prior to the date of enactment of this section against other appropriations or accounts for the purpose of providing relief and rehabilitation assistance to the people of Romania may be charged to the appropriations authorized under this section.

[(e) * * * [Repealed—1981]

[(f) Nothing in this section shall be interpreted as endorsing any measure undertaken by the Government of Romania which would suppress human rights as defined in the Conference on Security and Co-operation in Europe (Helsinki) Final Act and the United Nations Declaration on Human Rights, or as constituting a precedent for or commitment to provide United States development assistance to Romania, and the Romanian Government shall be so notified when aid is furnished under this section.

[Sec. 495E. Turkey Relief, Rehabilitation, and Reconstruction.—The President is requested to use up to $10,000,000 of the funds made available under section 492 of this Act to provide relief, rehabilitation, and reconstruction assistance to the victims of the recent earthquakes in Turkey.

[Sec. 495F. African Rehabilitation and Resettlement.—(a) The Congress recognizes that United States assistance is necessary to help developing countries in Africa meet the longer term rehabilitation and resettlement needs of displaced persons and other innocent victims of civil strife. Therefore, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for the longer term rehabilitation and resettlement needs of such victims. Funds for this purpose should be used to assist African governments in providing semipermanent housing, potable water supply systems, and sanitary facilities which are generally not provided by existing refugee relief agencies.

[(b) There are authorized to be appropriated to the President for the purposes of this section, in addition to amounts otherwise available for such purposes, $15,000,000 for the fiscal year 1981. Amounts appropriated under this subsection are authorized to remain available until expended.

[(c) Assistance under this section shall be provided in accordance with the policies and general authorities contained in section 491.

[Sec. 495G. Special Caribbean Hurricane Relief Assistance.—The President is authorized to furnish assistance, on such terms and conditions as he may determine, for disaster relief and reconstruction in the Caribbean to assist in alleviating the human suffering caused by recent hurricanes in that region. In addition to amounts otherwise available for such purposes, there is authorized to be appropriated for purposes of this section $25,000,000 for the fiscal year 1980, which amount is authorized to remain available until expended. Assistance under this section shall be provided in accordance with the policies and general authorities contained in section 491.]

* * * * * * *

[Sec. 495I. Assistance for Displaced Persons in Central America.—(a)(1) The Congress recognizes that prompt United States assistance is necessary to help meet the basic human needs for persons displaced by strife in El Salvador. Therefore, the President is authorized to furnish assistance, on such terms and conditions as he may determine, to help alleviate the suffering of these displaced persons. Assistance provided under this section shall be for humanitarian purposes, with emphasis on the provision of food, medicine, medical care, and shelter and, where possible, implemen-

tation of other relief and rehabilitation activities. The Congress encourages the use, where appropriate of the services of private and voluntary organizations and international relief agencies in the provision of assistance under this section.

[(2) The Congress understands that the country of Belize has expressed interest and willingness in the resettlement in its territory of Haitian nationals who desire to settle in Belize. Therefore, the President is authorized to furnish assistance, on such terms and conditions as he may determine, to assist the Government of Belize in the resettlement of Haitian nationals in the national territory of Belize.

[(b) There are authorized to be appropriated to the President for the purposes of this section, in addition to amounts otherwise available for such purposes, $5,000,000 for the fiscal year 1982 and $5,000,000 for the fiscal year 1983. Amounts appropriated under this section are authorized to remain available until expended.

[(c) Assistance under this section shall be provided in accordance with the policies and utilizing the general authorities provided in section 491.]

* * * * * * *

[SEC. 495K. AFRICAN FAMINE ASSISTANCE.—

[(a) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide assistance for famine relief, rehabilitation, and recovery in Africa. Assistance under this section shall be provided for humanitarian purposes and shall be provided on a grant basis. Such assistance shall include—

[(1) relief, rehabilitation, and recovery projects to benefit the poorest people, including the furnishing of seeds for planting, fertilizer, pesticides, farm implements, farm animals and vaccine, and veterinary services to protect livestock upon which people depend, blankets, clothing, and shelter, disease prevention and health care projects, water projects (including water purification and well-drilling), small-scale agricultural projects, and food protection and preservation projects; and

[(2) projects to meet emergency health needs, including vaccinations.

(b) USES OF FUNDS.—

[(1) PRIVATE AND VOLUNTARY ORGANIZATIONS AND INTERNATIONAL ORGANIZATIONS.—Funds authorized to be appropriated by this section shall be used primarily for grants to private and voluntary organizations and international organizations.

[(2) EMERGENCY HEALTH PROJECTS.—A significant portion of the funds authorized to be appropriated by this section shall be used for emergency health projects pursuant to subsection (a)(2).

[(3) MANAGEMENT SUPPORT ACTIVITIES.—Of the amount authorized to be appropriated by this section, $2,500,000 shall be transferred to the "Operating Expenses of the Agency for International Development" account. These funds shall be used for management support activities associated with the planning, monitoring, and supervision of emergency food and disaster assistance provided in those countries in Africa described in section 5(a) of the African Famine Relief and Recovery Act of 1985.

[(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts otherwise available for such purpose, there are authorized to be appropriated $137,500,000 for the fiscal year 1985 for use in providing assistance under this section.

[(d) POLICIES AND AUTHORITIES TO BE APPLIED.—Assistance under this section shall be furnished in accordance with the policies and general authorities contained in section 491.]

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[CHAPTER 7—JOINT COMMISSIONS ON RURAL DEVELOPMENT * * * [REPEALED—1978]]

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CHAPTER 7—MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

SEC. 471. FINDINGS AND STATEMENT OF POLICY.—(a) The Congress finds as follows:

(1) The people of the Philippines and the people of the United States continue to enjoy a long-standing relationship of mutual respect and cooperation.

(2) The return to democracy to the Philippines under the leadership of President Corazon Aquino has brought our two countries closer together and offers an opportunity to the Philippines to become an economic, social, and political leader in Southeast Asia.

(3) The Philippines is currently facing a domestic insurgency which threatens the Aquino government's efforts to broaden the participation of the people of the Philippines in the development of their country.

(4) It is in the mutual interest of the two peoples that the Philippines be provided all possible assistance, including voluntary debt reduction programs under appropriate circumstances, in its efforts to redress the problems caused by economic deterioration and social inequity which have fueled the domestic insurgency.

(5) The promition of democracy and achievement of sustainable economic growth require a partnership among the Philippines, multilateral institutions, bilateral donors, and the private sector to help the Philippines restructure its economy and alleviate its debt service in order to achieve broadly-based, self-sustaining growth and to improve the quality of life of the people of the Philippines.

(6) The Philippines is facing a serious environmental crisis stemming from the loss of tropical forests, growing soil erosion, pollution of rivers, lakes, and estuaries, and deterioration of fisheries. The promotion of sound environmental, natural resources, and agricultural management will enable the Philippines to achieve environmentally and economically sustainable development.

(b) It is the sense of the Congress that—

(1) the United States should participate with the multilateral financial institutions and other bilateral donors in a coordinated economic reform and development program, including voluntary debt reduction and environmental restoration and sustainable natural resource programs, in the Philippines; and

(2) a multiyear commitment of resources by the United States, other bilateral donors, and the multilateral financial institutions with a continued reform effort and leadership role by the Government of the Philippines, will be necessary in order to ensure continued economic growth in the Philippines and enhanced participation of the people of the Philippines in the democratic process.

SEC. 472. USES OF ASSISTANCE.—The President is authorized to provide assistance on such terms and conditions as he may determine to carry out the purposes of this chapter. Such assistance shall have as its ultimate objective, in conjunction with assistance provided by other donors, support of the newly reestablished democracy in the Philippines, promotion of sustained economic growth led by the private sector, and improvement of living conditions for the people of the Philippines, and shall build upon the progress that the Government of the Philippines has made in the development and implementation of economic, structural, and administrative reforms and the implementation of sustainable natural resource management programs. The provision of assistance shall be linked to progress by the Government of the Philippines in the implementation of its economic, structural, and administrative reform program. Assistance may include support for—

(1) economic, structural, administrative reforms and voluntary debt reduction programs necessary to stimulate private sector-led growth, such as import liberalization, export growth and diversification, and the privatization of state enterprises;

(2) infrastructure needed by the private sector, particularly in rural areas;

(3) strengthening the private sector, including promoting greater participation of the United States private sector in the development of the Philippines;

(4) natural resource management which supports sustained economic growth; and

(5) such other programs as are consistent with the purposes of this chapter.

SEC. 473. REPORT TO CONGRESS.—For each year, beginning with the budget request for fiscal year 1991, as soon as possible after the transmittal by the President of the Budget of the United States, the Secretary of State and the Administrator of the Agency for International Development shall submit a report to the Congress on progress in implementing the objectives of the program, to include a review of—

(1) the actions of the Government of the Philippines related to this assistance effort, including implementation of economic, structural and administrative reforms;

(2) the participation of other bilateral donors and multilateral financial institutions in the program, including the level of their assistance, and the effectiveness of efforts to coordinate assistance activities;

(3) the progress being made toward the achievement of the objectives of the program and the obstacles to such achievement; and

(4) the budget request for the relevant fiscal year.

SEC. 474. AUTHORIZATION.—(a) There are authorized to be appropriated to the President for the purposes of this chapter, in addition to amounts otherwise available for such purposes, $1,000,000,000, of which not more than $200,000,000 may be appropriated under this subsection for fiscal year 1990. Funds appropriated under this subsection are authorized to remain available until expended.

(b) In allocating funds authorized to be appropriated under subsection (a), the President should take all steps practicable to assure that environmental restoration and sustainable natural resource management are given appropriate support.

(c)(1) None of the funds appropriated pursuant to this section for fiscal year 1990 may be made available for the Philippines until the President has received a document, developed by the Government of the Philippines and acceptable to the major bilateral donors and appropriate representaties of multilateral financial institutions participating in the assistance program, which sets forth the overall framework and specific objectives of macroeconomic, administrative, and structural reforms, and voluntary debt reduction programs under appropriate circumstances, which the multilateral assistance program is designed to support.

(2) It is the sense of the Congress that, prior to requesting additional amounts to carry out this chapter, the President shall take into account the progress being made by the Government of the Philippines towards achieving such reform objectives, the extent of financial and other participation of other bilateral donors and multilateral financial institutions, attention to natural resource management that supports sustained economic growth, and efforts to coordinate the assistance program. Such considerations will be primary factors in decisions by the Congress to provide additional appropriations to carry out this chapter.

SEC. 475. DONOR COORDINATION.—(a) It is the sense of the Congress that critical to the success of the Multilateral Assistance Initiative for the Philippines under this chapter is the ability of the bilateral donors, the multilateral financial institutions, and the Government of the Philippines to coordinate effectively their objectives and programs.

(b) It is the sense of the Congress that—

(1) all bilateral donors to this program should take steps to simplify procurement and disbursement procedures and to ensure that any conditions on the provision or use of assistance are complementary; and

(2) the Government of the Philippines should establish such internal procedures and processes as will ensure the most effective use of the resources provided by the bilateral donors and the multilateral financial institutions.

SEC. 482. AUTHORIZATION.—(a)[(1) To carry out the purposes of section 481, there are authorized to be appropriated to the President $101,000,000 for fiscal year 1989.] *(1) To carry out the pur-*

poses of section 481, there are authorized to be appropriated to the President $101,000,000 for the fiscal year 1990.

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CHAPTER 9—INTERNATIONAL DISASTER ASSISTANCE

SEC. 491. POLICY AND GENERAL AUTHORITY.—(a) * * *

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SEC. 492. AUTHORIZATION.—(a) [There are authorized to be appropriated to the President to carry out section 491, $25,000,000 for the fiscal year 1986 and $25,000,000 for the fiscal year 1987.] *There are authorized to be appropriated to the President to carry out section 491, $25,000,000 for fiscal year 1990.* Amounts appropriated under this section are authorized to remain available until expended.

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CHAPTER 10—AFRICA FAMINE RECOVERY AND DEVELOPMENT

SEC. 496. LONG-TERM DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICA.

(a) FINDINGS—The Congress finds that—

(1) drought and famine have caused countless deaths and untold suffering among the people of sub-Saharan Africa;

(2) drought and famine in combination with other factors such as desertification, government neglect of the agricultural sector, and inappropriate economic policies have severely affected long-term development in sub-Saharan Africa; and

(3) the most cost-effective and efficient way of overcoming Africa's vulnerability to drought and famine is to address Africa's long-term development needs through a process that builds upon the needs and capabilities of the African people, promotes sustained and equitable economic growth, preserves the environment, and protects the rights of the individual.

(b) AUTHORITY TO FURNISH ASSISTANCE.—The President is authorized to furnish project and program assistance, on such terms and conditions as he may determine in accordance with the policies contained in this section, for long-term development in sub-Saharan Africa.

(c) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section shall be to help the poor majority of men and women in sub-Saharan Africa to participate in a process of long-term development through economic growth that is—

(1) equitable, in that it enables the poor to increase their incomes and their access to productive resources and services so that they can satisfy their basic needs and lead lives of decency, dignity, and hope;

(2) participatory, in that it enables the poor to contribute knowledge and other resources and to make and influence decisions that affect their lives;

(3) environmentally sustainable, in that it maintains and restores the renewable natural resources base of the economy and wisely uses nonrenewable resources; and

(4) self-reliant, in that it is based on indigenous institutions, private and public, local and national, that have the capacity (including the human resources and finances) to carry out development policies.

Assistance provided under this section should also, in a manner consistent with the preceding provisions of this subsection, encourage private sector development, promote individual initiatives, and help to reduce the role of central governments in areas more appropriate for the private sector.

(d) Application of Development Assistance General Authorities and Policies.—Except to the extent inconsistent with this section—

(1) any reference in any law to chapter 1 of this part (including references to sections 103 through 106) shall be deemed to include a reference to this section; and

(2) assistance under this section shall be provided consistent with the policies contained in section 102.

(3) Private and Voluntary Organizations.—

(1) Consultation to ensure local perspectives.—The administering agency shall take into account the local-level perspectives of the rural and urban poor in sub-Saharan Africa, including women, during the planning process for project and program assistance under this section. In order to gain that perspective the administering agency shall consult closely with African, United States, and other private voluntary organizations which have demonstrated effectiveness in or commitment to the promotion of local, grassroots activities on behalf of long-term development in sub-Saharan Africa as described in subsection (c).

(2) Funding for strengthening of development efforts.—In carrying out this section, the administering agency shall make available funds for the strengthening of development efforts by African, United States, and other private and voluntary organizations which have demonstrated effectiveness in or a commitment to the promotion of local grassroots activities on behalf of long-term development in sub-Saharan Africa as described in subsection (c).

(3) Definition of private and voluntary organizataion.—For purposes of this section, the term "private and voluntary organization" includes (in addition to entities traditionally considered to be private and voluntary organizations) cooperatives, credit unions, trade unions, women's groups, higher education institutions, nonprofit development research institutions, other intermediaries, and indigenous local organizations, which are private and nonprofit.

(f) Local Involvement in Project Implementation.—Local people, including women, shall be closely consulted and involved in all stages of the implementation of every project under this section which has a local focus.

(g) Participation of African Women.—The administering agency shall ensure that development activities assisted under this

section incorporate a significant expansion of the participation (including decision-making) and integration of African women in each of the critical sectors described in subsection (i).

(h) TYPES OF ASSISTANCE AUTHORIZED—

(1) PROJECTS AND PROGRAMS TO ADDRESS CRITICAL SECTORAL PRIORITIES.—Assistance under this section shall emphasize primarily projects and programs to address critical sectoral priorities for long-term development described in subsection (i).

(2) REFORM OF NATIONAL ECONOMIC POLICIES.—

(A) USE OF PROGRAM ASSISTANCE.—Assistance under this section may also include program assistance to promote reform of national economic policies to support the critical sectoral priorities for long-term development described in subsection (i).

(B) PROTECTION OF VULNERABLE GROUPS.—Assisted policy reforms shall also include provisions to protect vulnerable groups (especially poor, isolated, and female farmers and the urban poor) and long-term environmental interests from possible negative consequences of the reforms.

(3) OTHER ASSISTANCE.—Funds made available to carry out this section shall be used almost exclusively for assistance in accordance with paragraphs (1) and (2). Limited amounts of assistance, however, may be furnished under this section to address other priorities for long-term development in sub-Saharan Africa as described in subsection (c).

(i) CRITICAL SECTORAL PRIORITIES.—The critical sectoral priorities for long-term development as described in subsection (c) are the following:

(1) AGRICULTURAL PRODUCTION AND NATURAL RESOURCES.—

(A) AGRICULTURAL PRODUCTION.—Increasing agricultural production in ways which protect and restore the natural resource base, especially food production, through agricultural policy changes at the macroeconomic and sector levels, agricultural research (including participatory research directly involving small farmers) and extension, development and promotion of agriculture marketing activities, credit facilities, and appropriate production packages, and the construction and improvement of needed production-related infrastructure such as farm-to-market roads, small-scale irrigation, and rural electrification. Emphasis shall be given to promoting increased equity in rural income distribution, recognizing the role of small farmers (the majority of whom are women) and the farm family.

(B) NATURAL RESOURCE BASE.—Maintaining and restoring the renewable natural resource base in ways which increase agricultural production, through the following:

(i) Primary emphasis on small-scale, affordable, resource-conserving, low-risk local projects, using appropriate technologies (including traditional agricultural methods) suited to local environmental, resource, and climatic conditions, and featuring close consultation with and involvement of local people at all stages of project design and implementation. Emphasis shall be given to grants for African local government organiza-

tions, international or African nongovernmental organizations, and United States private voluntary organizations.

(ii) Significant support for efforts at national and regional levels to provide technical and other support for projects of the kinds described in clause (i) and to strengthen the capacities of African countries to provide effective extension and other services in support of environmentally sustainable increases in food production.

(iii) Significant support for special training and education efforts to improve the capacity of countries in sub-Saharan Africa to manage their own environments and natural resources.

(iv) Support for low-cost desalination activities in order to increase the availability of fresh water sources in sub-Saharan Africa.

(2) HEALTH.—Improving health conditions, with special emphasis on meeting the health needs of mothers and children through the establishment of self-sustaining primary health care systems that give priority to preventive health.

(3) VOLUNTARY FAMILY PLANNING SERVICES.—Providing increased access to voluntary family planning services, including encouragement of private, community, and local government initiatives.

(4) EDUCATION.—Improving the relevance to production and the efficiency of education, with substantial attention given to improving basic literacy and numeracy, especially to those outside the formal educational system, and improving primary education.

(5) INCOME-GENERATING OPPORTUNITIES.—Developing income-generating opportunities for the unemployed and underemployed in urban and rural areas. Off-farm employment opportunities in micro-and small-scale labor-intensive enterprises shall be emphasized.

(j) MINIMUM LEVELS OF ASSISTANCE FOR CERTAIN CRITICAL SECTORS.—The agency primarily responsible for administering this part shall target the equivalent of not less than 10 percent of the amount authorized to be appropriated for fiscal year 1990 pursuant to Section 497 for each of the following:

(a) the activities described in subsection (i)(1)(B), including identifiable components of agricultural production projects;

(b) the activities described in subsection (i)(2); and

(c) the activities described in subsection (i)(3).

(k) AFRICAN AGRICULTURAL UNIVERSITY DEVELOPMENT.—Given the critical role in African growth and development that indigenous institutions of higher education can play in developing agriculture and human resources, the Administrator should provide support for strengthening and developing selected African higher education institutions in order to address the problems of food production and distribution. This support should, to the maximum extent possible, promote linkages: (a) between agricultural research and extension activities in sub-Saharan Africa through the involvement of institutions of higher education, and (b) between African institutions of

higher education and indigenous farmers' associations. In recognition of the complexity of institution-building efforts, this support should be provided on a long-term basis and should utilize, in a collaborative manner, the capabilities and expertise of United States institutions of higher education.

(l) Effective Use of Assistance.—Assistance provided under this section shall be concentrated in countries which will make the most effective use of such assistance in order to fulfill the purpose specified in subsection (c), especially those countries (including those of the Sahel region) having the greatest need for outside assistance.

(1) Local Currencies Generated Under Other Authorities.—Local currencies generated in sub-Saharan Africa under chapter 4 of part II of this Act or under section 106(b)(2), section 206, or title III of the Agricultural Trade Development and Assistance Act of 1954 that are to be used for development activities shall be used only for activities which would be eligible for assistance under this section.

(m) Donor Coordination Mechanism.—Funds made available to carry out this section may be used to assist the governments of countries in sub-Saharan Africa to increase their capacity to participate effectively in donor coordination mechanisms at the country, regional, and sector levels.

(n) Policy on Use of Funds for Payment of Official Debt.—It shall be the policy of the United States that funds made available to carry out this section not be used to make payments with respect to any official debt owed to the United States Government, any foreign government, or any multilateral lending institution. Exceptions to this policy may be made—

(1) only in certain instances where the recipient country's debt service is a significant barrier to development and where such payments would have a significant effect in leveraging additional flows of development finance; and

(2) only after consultation with the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

(o) Relation to Other Authorities.—The authority granted by this section to provide assistance for long-term development in sub-Saharan Africa is not intended to preclude the use of other authorities for that purpose. Centrally-funded programs which benefit sub-Saharan Africa shall continue to be funded under chapter 1 of part of this Act.

Sec. 497. Authorization of Appropriations for Assistance for Sub-Saharan Africa.—

(a) Authorization.—There is authorized to be appropriated to the President, in addition to funds otherwise available for such purposes, $565,000,000 for fiscal year 1990 for assistance under section 496.

(b) Extended Availability of Funds.—Funds appropriated under this section are authorized to remain available until expended. It is the sense of the Congress that the authority of this subsection should be used to extend the period of availability of those funds whenever appropriate to improve the quality of assistance provided under section 496.

SEC. 498. FUNDING FOR INCREASED A.I.D. ORGANIZATIONAL RESOURCES FOR SUB-SAHARAN AFRICA.—The Administrator may transfer up to 5 percent of the funds made available each fiscal year under section 497 to the appropriations account for the operating expenses of the administering agency for use in increasing (above the level of resources available for fiscal year 1989) the organizational resources which the administering agency has available for development assistance activities for sub-Saharan Africa. These funds shall be in addition to amounts otherwise allocated to the administering agency's Bureau for Africa.

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SEC. 504. AUTHORIZATION.—[(a)(1) There is authorized to be appropriated to the President to carry out the purpose of this chapter $805,100,000 for the fiscal year 1986 and $805,100,000 for the fiscal year 1987.] *(a)(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter $40,432,000 for the fiscal year 1990.*

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SEC. 505. CONDITIONS OF ELIGIBILITY.—(a) * * *

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(f) Effective July 1, 1974, no defense article shall be furnished to any country on a grant basis unless such country shall have agreed that the net proceeds of sale received by such country in disposing of any weapon, weapons system, munition, aircraft, military boat, military vessel, or other implement of war received under this chapter will be paid to the United States Government and shall be available to pay all official costs of the United States Government payable in the currency of that country, including all costs relating to the financing of international educational and cultural exchange activities in which that country participates under the programs authorized by the Mutual Educational and Cultural Exchange Act of 1961. In the case of items which were delivered prior to [1975] *1985*, the President may waive the requirement that such net proceeds be paid to the United States Government if he determines that to do so is in the national interest of the United States.

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SEC. 514. STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.—(a) * * *

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(b)(1) The value of defense articles to be set aside, earmarked, reserved, or intended for use as war reserve stocks for allied or other foreign countries (other than for purposes of the North Altantic Treaty Organization) in stockpiles located in foreign countries may not exceed in any fiscal year an amount greater than is specified in security assistance authorizing legislation for that fiscal year.

(2) The value of such additions to stockpiles in foreign countries shall not exceed [$77,000,000 for fiscal year 1989.] *65,000,000 for fiscal year 1990 and $78,000,000 for fiscal year 1991.*

(c) Except for stockpiles in existence on the date of enactment of the International Security. Assistance and Arms Export Control Act of 1976 and for stockpiles located in the Republic of Korea,

Thailand [or] countries which are members of the North Altantic Treaty Organization, ***or a country which is a major non-NATO ally,*** **no stockpile may be located outside the boundaries of a United States military base or a military base used primarily by the United States.**

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SEC. 515. OVERSEAS MANAGEMENT OF ASSISTANCE AND SALES PROGRAMS.—(a) * * *

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(d) Effective [October 1, 1982,] *October 1, 1989* the entire costs ([including] *excluding* salaries of the United States military personnel) or overseas management of international security assistance programs under this section shall be charged to or reimbursed from funds made available to carry out this chapter, other than any such costs which are either paid directly for such defense services under section 21(a) of the Arms Export Control Act or reimbursed from charges for services collected from foreign governments pursuant to section 21(e) and section 43(b) of the Act.

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SEC. 516. MODERNIZATION OF DEFENSE CAPABILITIES OF COUNTRIES OF NATO'S SOUTHERN FLANK.—(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—Notwithstanding any other provision of law and subject to subsection (b), [during the fiscal years 1987, 1988, and 1989,] the President may transfer to those member countries of the North Altantic Treaty Organization (NATO) on the southern flank of NATO which are eligible for United States security assistance [and which are integrated into NATO's military structure] and to major non-NATO allies on the southern and southeastern flank of NATO which are eligible for United States security assistance, such excess defense articles as the President determines necessary to help modernize the defense capabilities of such countries. Such excess defense articles may be transferred without cost to the recipient countries.

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(d) Not later than February 1 of each year, the President shall transmit to the Congress as part of the annual presentation materials for security assistance programs for the next fiscal year, a report which sets forth in detail—

(1) the numbers and items of excess defense articles most likely to be provided under this section to each country eligible to receive such defense articles during the calendar year in which such report is transmitted; and

(2) the numbers and items of excess defense articles actually provided to each eligible country under this section during the calendar year preceding the year in which such report is transmitted.

(e)(1) The Congress intends that excess defense articles be made available under this section consistent with the United States policy, established in section 620C of this Act, of maintaining the military balance in the eastern Mediterranean.

(2) Accordingly, the President shall ensure that, for each fiscal year, the ratio of—

(A) the value of excess defense articles made available for Turkey under this section, to

(B) the value of excess defense articles made available for Greece under this section, closely approximates the ratio of—

(i) the amount of military assistance and financing provided for Turkey, to

(ii) the amount of military assistance and financing provided for Greece.

(3) This subsection shall not apply if either Greece or Turkey ceases to be eligible to receive excess defense articles under subsection (a).

[(d)**]** *(f)* WAIVER OR REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 632(d) shall not apply with respect to transfers of excess defense articles under this section.

[(e)**]** *(g)* DEFINITION.—As used in subsection (a), the term "member countries of the North Atlantic Treaty Organization (NATO) on the southern flank of NATO" means Greece, Italy, Portugal, Spain, and Turkey.

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SEC. 532. AUTHORIZATIONS OF APPROPRIATIONS.—**[**(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter—

[(1) $2,015,000,000 for the fiscal year 1986 and $2,015,000,000 for the fiscal year 1987 for the following countries signing the Camp David agreement: Israel and Egypt; and

[(2) $1,785,000,000 for the fiscal year 1986 and $1,785,000,000 for the fiscal year 1987 for assistance under this chapter for recipients or purposes other than the countries referred to in paragraph (1).**]** *(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter $3,361,100,000 for the fiscal year 1990.*

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SEC. 534. ADMINISTRATION OF JUSTICE.—(a) The President may furnish assistance under this chapter to countries and organizations, including national and regional institutions, in order to strengthen the administration of justice in countries in Latin America **[**and the Caribbean**]**, *the Caribbean and the Philippines.*

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(e) Personnel of the Department of Defense and members of the United States Armed Forces may not participate in the provision of training under this section. Of the funds made available to carry out this section, not more than $7,000,000 may be made available in each of fiscal years 1988 and 1989 to carry out the provisions of subsection (b)(3) of this section. The authority of this section shall expire on September 30, **[**1989**]** *1990.*

SEC. 535. ECONOMIC SUPPORT FOR DISADVANTAGED SOUTH AFRICANS.—(a) * * *

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SEC. 536. PURCHASE OF UNITED STATES GOODS AND SERVICES.

(a) CONSIDERATIONS REGARDING CASH TRANSFERS.—Assistance may be provided to a foreign country under this chapter as a cash transfer only if the President determines that the needs of that country and the interests of the United States would be better met by a cash transfer.

(b) USE OF CASH TRANSFERS FOR UNITED STATES GOODS AND SERVICES.—Assistance may be provided to a country under this chapter as a cash transfer only pursuant to an agreement requiring that the country spend an amount equal to the amount of the cash transfer to purchase United States goods and services. Nothing in this section, however, shall prevent a country from purchasing, with United States cash transfer assistance, goods and services produced in that country. United States goods purchased pursuant to such an agreement shall be deemed to have been furnished by the United States without provision for reimbursement within the meaning of section 901(b)(1) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1241(b)(1)).

(c) GAO AUDITS.—Each agreement pursuant to which cash transfer assistance is provided under this chapter shall include provisions to ensure that representatives of the Comptroller General have access to the records and personnel necessary to carry out such monitoring and auditing as the Comptroller General deems appropriate.

(d) EXEMPTIONS.—This section shall not apply to any country—

(1) which receives cash transfer assistance under this chapter of less than $10,000,000 for a fiscal year;

(2) which, as of April 1, 1987, was receiving cash transfer assistance under this chapter and has an agreement with the United States under which the country agrees—

(A) to spend an amount equal to the amount of the cash transfer on the purchase of United States goods and services, and

(B) to carry 50 percent of all bulk shipments of United States grain on privately-owned United States-flag commercial vessels, to the extent such vessels are available at fair and reasonable rates for such vessels, except that country shall be exempted pursuant to this paragraph only so long as that country continues to agree to those conditions; or

(3) which, as of the effective date of this section, has an agreement with the United States requiring that the country spend an amount equal to the amount of any cash transfer assistance under this chapter to purchase United States goods and services, except that a country shall be exempted pursuant to this paragraph only so long as that country continues to agree to that condition.

United States goods purchased pursuant to an agreement described in paragraph (3) shall be deemed to have been furnished by the United States without provision for reimbursement within the meaning of section 901(b)(1) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)(1)).

(e) WAIVER.—The President may waive the provisions of this section with respect to a country to the extent the President determines that it is important to the national interest to do so. Any such waiver shall be reported to the Committee on Foreign Affairs of the

House of Representatives and the Committee on Foreign Relations of the Senate.

(f) DEFINITION OF UNITED STATES GOODS.—For purposes of this section, the term 'United States goods' means goods and commodities grown, (including agricultural commodites).

[SEC. 542. AUTHORIZATION.—There are authorized to be appropriated to the President to carry out the purposes of this chapter $56,221,000 for the fiscal year 1986 and $56,221,000 for the fiscal year 1987.]

SEC. 542. AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President to carry out the purposes of this chapter $54,500 for the fiscal year 1990.

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SEC. 552. AUTHORIZATION OF APPROPRIATIONS.—[(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to amounts otherwise available for such purposes, $37,000,000 for the fiscal year 1986 and $37,000,000 for the fiscal year 1987.] *(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to amounts otherwise available for such purposes, $33,377,000 for fiscal year 1990.*

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SEC. 573. SPECIFIC AUTHORITIES AND LIMITATIONS.—(a) * * *

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(d)[(1) Training services provided pursuant to this chapter shall not be conducted outside the United States.] *(1) Training services (including short-term refresher training) provided pursuant to this chapter may be conducted outside the United States only if such training involves (A) aviation security; (B) bomb protection measures; (C) crisis management; (D) document screening techniques; (E) facility security; (F) Maritime security; (G) post-blast investigation and tracing of lethal instruments; or (H) VIP protection.*

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[(3) Employees of the Department of State shall not engage in the training of law enforcement personnel or provision of services under this chapter, except that employees of the Office of Security of the Department of State may provide training and services to law enforcement personnel for the physical protection of internationally protected persons and related facilities.]

(3) Employees of the Department of State shall not engage in the training of law enforcement personnel or provision of services under this chapter, except that employees of the Bureau of Diplomatic Security of the Department of State may provide training (including short-term refresher training) and services authorized by this chapter to law enforcement personnel in the following subjects: (i) bomb protection measures; (ii) facility security; and (iii) VIP protection.

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[SEC. 575. AUTHORIZATIONS OF APPROPRIATIONS.—(a) There are authorized to be appropriated to the President to carry out this chapter $9,840,000 for the fiscal year 1986 and $14,680,000 for the fiscal year 1987.]

SEC. 575. AUTHORIZATION OF APPROPRIATIONS.—(a) There are authorized to be appropriated to the President to carry out the purposes of this chapter $9,840,000 for the fiscal year 1990.

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[SEC. 611. COMPLETION OF PLANS AND COST ESTIMATES.—(a) No agreement or grant which constitutes an obligation of the United States Government in excess of $500,000 under section 1501 of title 31, United States Code, shall be made for any assistance authorized under chapter I of part I, title II of chapter 2 of part I, or chapter 4 of part II—

[(1) if such agreement or grant requires substantive technical or financial planning, until engineering, financial, and other plans necessary to carry out such assistance, and a reasonably firm estimate of the cost to the United States Government of providing such assistance, have been completed; and

[(2) if such agreement or grant requires legislative action within the recipient country, unless such legislative action may reasonably be anticipated to be completed in time to permit the orderly accomplishment of the purposes of such agreement or grant.

[(b) Plans required under subsection (a) of this section for any water or related land resource construction project or program shall include a computation of benefits and costs made insofar as practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.) or acts amendatory or supplementary thereto.

[(c) To the maximum extent practicable, all contracts for construction outside the United States made in connection with any agreement or grant subject to subsection (a) of this section shall be made on a competitive basis.

[(d) Subsection (a) of this section shall not apply to any assistance furnished for the sole purpose of preparation of engineering, financial, and other plans.

[(e) In addition to any other requirements of this section, no assistance authorized under chapter 1 of part I, title II of chapter 2 of part I, or chapter 4 of part II shall be furnished with respect to any capital assistance project estimated to cost in excess of $1,000,000 until the head of the agency primarily responsible for administering part I of the Act has received and taken into consideration a certification from the principal officer of such agency in the country in which the project is located as to the capability of the country (both financial and human resources) to effectively maintain and utilize the project taking into account among other things the maintenance and utilization of projects in such country previously financed or assisted by the United States.]

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SEC. 620. PROHIBITIONS AGAINST FURNISHING ASSISTANCE.—(a)(1) * * *

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(f)(1) No assistance shall be furnished under this Act, as amended (except section 214(b)), to any Communist country. This restriction may not be waived pursuant to any authority contained in this Act unless the President finds and promptly reports to Congress that: (A) such assistance is vital to the security of the United States; (B) the recipient country is not controlled by the international Communist conspiracy; and (C) such assistance will further promote the independence of the recipient country from international communism. For the purposes of this subsection, the phrase "Communist country" includes specifically, but is not limited to, the following countries:

Czechoslovak Socialist Republic
Democratic People's Republic of Korea.
Democratic Republic of Afghanistan.
Estonia.
German Democratic Republic.
Hungarian People's Republic.
Lao People's Democratic Republic.
Latvia.
Lithuania.
Mongolian People's Republic.
People's Republic of Bulgaria.
People's Republic of Cambodia.
People's Republic of China.
Polish People's Republic.
Republic of Cuba.
Socialist Federal Republic of Yugoslavia.
Socialist Republic of Romania.
Socialist Republic of Vietnam.
Tibet.
Union of Soviet Socialist Republics (including its captive constituents republics).

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the President may remove a country, for such period as the President determines, from the application of this subsection, and other provisions which reference this subsection, if the President determines and reports to the Congress that such action is important to the national interest of the United States. *Each determination made by the President under the preceding sentence shall be applicable for a period of not more than 12 months at a time.* It is the sense of the Congress that when consideration is given to authorizing assistance to a country removed from the application of this subsection, one of the factors to be weighed, among others, is whether the country in question is giving evidence of fostering the establishment of a genuinely democratic system, with respect for internationally recognized human rights.

* * * * * * *

[(q) No assistance shall be furnished under this Act to any country which is in default during a period in excess of six calendar months, in payment to the United States of principal or interest on any loan made to such country under this Act, unless such country meets its obligations under the loan or unless the President determines that assistance to such country is in the national interest and notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of such determination.]

(q)(1) Subject to paragraph (2) no assistance shall be furnished under this Act to any country which is in default during a period in excess of twelve calendar months, in payment to the United States of principal or interest on any loan made to such country under this Act, unless such country meets its obligations under the loan or unless the President determines that assistance to such country is in the national interest and notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of such determination.

(2) Assistance under chapter 5 of part II of this Act (relating to international military education and training) may be provided without regard to paragraph (1) or any other provision of law that restricts or prohibits the furnishing of assistance to a country that is in default in payment to the United States of principal or interest on a loan made to that country, as long as the recipient country has an elected government seeking to strengthen democratic institutions and the assistance is otherwise consistent with sections 502B, 620(f), 620A, and 660 of this Act.

* * * * * * *

SEC. 620C. UNITED STATES POLICY REGARDING THE EASTERN MEDITERRANEAN.—(a) * * *

(c)*(1)* Because progress toward a Cyprus settlement is a high priority of United States policy in the Eastern Mediterranean, the President and the Congress shall continually review that progress and shall determine United States policy in the region accordingly. To facilitate such a review the President shall, within 60 days after the date of enactment of this section and at the end of each succeeding 60-day period, transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report on progress made toward the conclusion of a negotiated solution of the Cyprus problem. Such transmissions shall include any relevent reports prepared by the Secretary General of the United Nations for the Security Council.

(2)(A) Each report required to be transmitted by paragraph (1) shall also—

(i) specify the number of members of the Turkish armed forces who were on Cyprus during the preceding sixty days; and

(ii) describe any defense articles of United States origin which were on Cyprus at any time during the preceding sixty days, specifying (to the extent such information can be obtained) when those articles were transferred to Cyprus and when those articles were made available to Turkey by the United States.

(B) The information required to be transmitted by clauses (i) and (ii) of subparagraph (a) shall be included in a classified addendum to such report if necessary.

SEC. 620E. ASSISTANCE TO PAKISTAN.—[(a) The Congress recognizes that Soviet Forces occupying Afghanistan pose a security threat to Pakistan. The Congress also recognizes that an independent and democratic Pakistan with continued friendly ties with the United States is in the interest of both nations. The Congress finds that United States assistance will help Pakistan maintain its independence. Assistance to Pakistan is intended to benefit the people of Pakistan by helping them meet the burdens imposed by the presence of Soviet forces in Afghanistan and by promoting economic development. In authorizing assistance to Pakistan, it is the intent of Congress to promote the expeditious restoration of full civil liberties and representative government in Pakistan. The Congress further recognizes that it is in the mutual interest of Pakistan and the United States to avoid the profoundly destabilizing effects of the proliferation of nuclear explosive devices or the capacity to manufacture or otherwise acquire nuclear devices.] *(a) The United States and Pakistan share a commitment to democracy and human rights. United States assistance shall be used to help the government and people of Pakistan in preserving democracy and in ensuring respect for fundamental human rights, including freedom of expression, freedom of association, and freedom of conscience. The Congress finds that the conduct of regular and free elections open to all political parties is an essential element of democracy. Military assistance to Pakistan is intended to assist the country's democratic government in meeting threats to Pakistan's national security, including threats posed by instability and Soviet influence in Afghanistan. U.S. assistance shall also be used as a means to help avoid the profoundly destabilizing effects of the proliferation in South Asia of nuclear weapons and of the capability to manufacture such weapons.*

* * * * * * *

(d) The President may waive the prohibitions of section 669 of this Act at any time during the period beginning on the date of enactment of this section and ending on [April 1, 1990] *September 30, 1994, to provide assistance to Pakistan during that period if he determines that to do so is in the national interest of the United States.*

* * * * * * *

SEC. 632. ALLOCATION AND REIMBURSEMENT AMONG AGENCIES.—(a) * * *

* * * * * * *

(d) Except as otherwise provided in section 506, reimbursement shall be made to any United States Government agency, from funds available for use under part II, for any assistance furnished under part II from, by, or through such agency. Such reimbursement shall be in an amount equal to the value (as defined in section 644(m)) of the defense articles or of the defense services (other than salaries of members of the Armed Forces of the United States), or other assistance furnished, plus expenses arising from or incident to operations under part II *(other than salaries of the Armed Forces of the United States and unfunded estimated costs of civilian retirement and other benefits)*. The amount of such reimbursement shall be credited to the current applicable appropriations, funds, or accounts of such agency.

* * * * * * *

[Sec. 637. Administrative Expenses.—(a) * * * [Repealed—1978]

[(b) There is hereby authorized to be appropriated such amounts as may be necessary from time to time for administrative expenses which are incurred for functions of the Department of State under this Act and unrepealed provisions of the Mutual Security Act of 1954, as amended, or for normal functions of the Department of State which relate to such functions.]

Sec. 640C. Shipping Differential.—* * *

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Sec. 640D. Center for Voluntary Cooperation in Development.

(a) Establishment.—The Administrator shall establish, within the administering agency, a Center for Voluntary Cooperation in Development (hereafter in this section referred to as the 'Center').

(b) Purpose.—The purpose of the Center shall be to strengthen the partnership for development among the United States Government and United States private and voluntary organizations, cooperatives, and credit unions that are engaged in activities that are relevant to the development needs of developing countries and to the attainment of the four principal goals set forth in section 101 of this Act.

(c) Functions.—The Center shall—

(1) participate in the development of policies, procedures, and criteria for all programs of the administering agency that involve private and voluntary organizations, cooperatives, and credit unions;

(2) solicit proposals developed by private and voluntary organizations, cooperatives and credit unions which reflect the viewpoints and interests that emerge from the local level;

(3) under the general policy guidance of the Administrator, develop program policies, procedures, and funding criteria for support by the administering agency of worldwide activities of such entities;

(4) administer comprehensive grant programs in support of long term, worldwide programs of such entities; and

(5) assure that the private-public partnership is carried out in ways that do not compromise the private and independent nature of such organizations.

(d) Director.—The Center shall be headed by a Director, appointed by the Administrator, who shall report directly to the Administrator.

(e) Advisory Board.—

(1) Establishment.—There shall be an advisory board for the Center (hereafter in this subsection referred to as the 'advisory board').

(2) Functions.—The advisory board shall advise the Director and the Administrator with respect to the functions of the Center and the administering agency in facilitating the role of private and voluntary organizations, cooperatives, and credit unions in development activities. In particular, the advisory board shall—

(A) develop policy and procedural recommendations for the administration of the programs of the Center;

(B) assess the effectiveness and impact of private and voluntary organizations, cooperatives, and credit unions working in partnership with the United States Government under this title; and

(C) encourage and facilitate support for such entities through programs of the administering agency at the regional and country level.

(3) SUBGROUPS.—The advisory board may establish such subgroups as the advisory board and the Director find appropriate.

(4) MEMBERSHIP.—The advisory board shall have 10 members, appointed by the President from among individuals who—

(A) are from private and voluntary organizations, cooperatives, and credit unions eligible to participate in programs under this title; and

(B) have expertise and experience in programs of private and voluntary organizations, cooperatives, and credit unions that are relevant to the development needs of developing countries and to the attainment of the four principal goals set forth in section 101 of this Act.

(5) TERMS OF MEMBERS.—Members of the advisory board shall be appointed for a term of 3 years, except that—

(A) the initial members of the Board shall be appointed for a term of 1, 2, or 3 years, as determined by the President at the time of appointment, so that the term of at least 3 but not more than 4 members expires each year; and

(B) a member appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall be appointed only for the remainder of that term.

(6) LIMITATION ON REAPPOINTMENT.—An individual who has been appointed to 2 consecutive terms as a member of the advisory board may not be appointed to another such term until at least 3 years after the end of the second such term.

(7) CHAIR.—The chair of the advisory board shall be appointed by the President. The chair shall be appointed for a term of 3 years, unless that member's term on the advisory board expires sooner and that member is not reappointed to the advisory board.

(8) COMPENSATION AND EXPENSES OF MEMBERS OF ADVISORY BOARD.—A member of the advisory board shall not receive any compensation on account of membership on the advisory board but shall be entitled to reimbursement for travel and transportation expenses while away from his or her home or regular place of business to the extent authorized for employees serving intermittently in the Government service under section 5703 of title 5, United States Code.

(9) STAFF.—The Center shall provide necessary staff and administrative support for the advisory board.

(10) FUNDING.—Expenses of the advisory board shall be paid by the Administrator with funds made available for the operating expenses of the administering agency.

(11) TERMINATION PROVISION OF ADVISORY COMMITTEE ACT NOT APPLICABLE.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. app.) shall not apply to the advisory board.

SEC. 640E. CENTER FOR UNIVERSITY COOPERATION IN DEVELOPMENT.

(a) ESTABLISHMENT.—The Administrator shall establish, within the administering agency, a Center for University Cooperation in Development (hereafter in this section referred to as the 'Center').

(b) PURPOSE.—The purpose of the Center shall be to strengthen the partnership for development among the United States Government and United States public and private institutions of higher education that are engaged in education, research, and public service programs that are relevant to the development needs of developing countries and to the attainment of the four principal goals set forth in section 101 of this Act.

(c) FUNCTIONS.—The Center shall—

(1) participate in the planning, development, and implementation of programs of the administering agency that involve institutions of higher education;

(2) develop basic policies, procedures, and criteria for and administer education, research, and development programs involving United States institutions of higher education and developing country institutions; and

(3) develop and administer collaborative education, research, and development programs of mutual interest and benefit to the United States and advanced developing countries.

(d) DIRECTOR.—The Center shall be headed by a Director, appointed by the Administrator, who shall report directly to the Administrator.

(e) ADVISORY BOARD.—

(1) ESTABLISHMENT.—There shall be an advisory board for the Center (hereafter in this subsection referred to as the 'advisory board').

(2) FUNCTIONS.—The advisory board shall advise the Director and the Administrator with respect to the functions of the Center and the administering agency in facilitating the involvement of United States institutions of higher education in international development. In particular, the advisory board shall—

(A) develop policy and procedural recommendations for the administration of the programs of the Center;

(B) assess the effectiveness and impact of programs undertaken by institutions of higher education working in partnership with the United States Government under this Act; and

(C) encourage and facilitate support for institutions of higher education through programs of the adminstering agency at the regional and country level.

(3) SUBGROUPS.—The advisory board may establish such subgroups as the advisory board and the Director find appropriate.

(4) MEMBERSHIP.—The advisory board shall have 10 members, appointed by the President from among individuals who—

(A) are from institutions of higher education eligible to participate in programs under this title, and

(B) have expertise and administrative experience in education, research, and public service relevant to the development needs of developing countries and to the attainment of the four principal goals set forth in section 101 of this Act.

(5) TERMS OF MEMBERS.—The members of the advisory board shall be appointed for a term of 3 years, except that—

(A) the initial members of the Board shall be appointed for a term of 1, 2, or 3 years, as determined by the President at the time of appointment, so that the term of at least 3 but not more than 4 members expires each year; and

(B) a member appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall be appointed only for the remainder of that term.

(6) LIMITATION ON REAPPOINTMENT.—An individual who has been appointed to 2 consecutive terms as a member of the advisory board may not be appointed to another such term until at least 3 years after the end of the second such term.

(7) CHAIR.—The chair of the advisory board shall be appointed by the President. The chair shall be appointed for a term of 3 years, unless that member's term on the advisory board expires sooner and that member is not reappointed to the advisory board.

(8) COMPENSATION AND EXPENSES OF MEMBERS OF THE ADVISORY BOARD.—A member of the advisory board shall not receive any compensation on account of membership on the advisory board but shall be entitled to reimbursement for travel and transportation expenses while away from his or her home or regular place of business to the extent authorized for employment serving intermittently in the Government service under section 5703 of title 5, United States Code.

(9) STAFF.—The Center shall provide necessary staff and administrative support for the advisory board.

(10) FUNDING.—Expenses of the advisory board shall be paid by the Administrator with funds made available for the operating expenses of the administering agency.

(11) TERMINATION PROVISION OF ADVISORY COMMITTEE ACT NOT APPLICABLE.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. app.) shall not apply to the advisory board.

* * * * * * *

SEC. 660. PROHIBITING POLICE TRAINING.—(a) * * *

* * * * * * *

(c) Subsection (a) shall not apply with respect to a country which has a longstanding democratic tradition, does not have standing, *or with respect to assistance provided to police forces in connection with their participation in the regional security system of the Eastern Caribbean States,* and does not engage in a consistent pattern of gross violations of internationally recognized human rights.

* * * * * * *

SEC. 661. TRADE AND DEVELOPMENT PROGRAM.—(a) * * * [(d) 65. There are authorized to be appointed to the President for purpose of this section, in addition to funds otherwise available for such purposes, $20,000,000 for the fiscal year 1986 and $20,000,000 for the fiscal year 1987.]

(d) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, $25,000,000 for fiscal year 1990. Amounts appropriated under this subsection are authorized to remain available until expended.

* * * * * * *

[SEC. 663. EXCHANGES OF CERTAIN MATERIALS.—(a) Notwithstanding any other provision of law, whenever the President determines it is in the United States national interest, he shall furnish assistance under this Act or shall furnish defense articles or services under the Foreign Military Sales Act pursuant to an agreement with the recipient of such assistance, articles, or services which provides that such recipient may only obtain such assistance, articles, or services in exchange for any necessary or strategic raw material controlled by such recipient. For the purposes of this section, the term "necessary or strategic raw material" includes petroleum, other fossil fuels, metals, minerals, or any other natural substance which the President determines is in short supply in the United States.

[(b) The President shall allocate any necessary or strategic raw material transferred to the United States under this section to any appropriate agency of the United States Government for stockpiling, sale, transfer, disposal, or any other purposes authorized by law.

[(c) Funds received from any disposal of materials under subsection (b) shall be deposited as miscellaneous receipts in the United States Treasury.]

* * * * * * *

SEC. 667. OPERATING EXPENSES.—(a) There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

[(1) $387,000,000 for the fiscal year 1986 and $387,000,000 for the fiscal year 1987 for necessary operating expenses of the agency primarily responsible for administering part I of this Act, of which $21,750,000 for the fiscal year 1987 is authorized for the necessary operating expenses of the Office of the Inspector General of the Agency for International Development and the remaining amount for the fiscal year is authorized for other necessary operating expenses of that agency and]

* * * * * * *

(1) $435,100,000 for fiscal year 1990 for necessary operating expenses of the agency primarily responsible for administering part I of this Act; and

[SEC. 668. REPORT ON KOREA.— * * * [Repealed—1981]

SEC. 668. OPERATING EXPENSES, OFFICE OF THE INSPECTOR GENERAL.—(a) There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

(1) $30,000,000 for fiscal year 1990 for necessary operating expenses of the Office of the Inspector General of the Agency for International Development; and

(2) such amounts as may be necesary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs of such office.

(b) Amounts appropriated under this section are authorized to remain available until expended.

* * * * * * *

Sec. 671. Index of Economic Freedom.—

(a) Development of Index.—Not later than 6 months after the date of enactment of this section, the Administrator of the Agency for International Development, in consultation with the Secretary of the Treasury and private indigenous institutions in less developed countries, shall develop a system for evaluating, on a country-by-country basis, the economic freedom and opportunities of individuals in countries eligible for assistance under part I of the Foreign Assistance Act of 1961. Such system shall be referred to as the "Index of Economic Freedom" (hereafter in this section referred to as the "Index").

(b) Extension of Time.—The President may extend the date by which the Index is required to be developed by an additional 90 days if he determines that the period specified under subsection (a) for the development of the Index is inadequate.

(c) Factors Evaluated by the Index.—The Index shall assign a numerical rating for each of the following factors based on the degree to which each such factor reflects the degree of economic freedom and opportunity in a country; and other relevant economic factors

(1) Property rights.—The extent to which poor or landless individuals are illegally or otherwise artificially constrained from acquiring land or other forms of property or are unable to gain secure legal title to land, the degree to which laws and an independent judiciary protect private property and enforce contracts for individuals against the government, the extent of nationalization of property and the state's power to nationalize private property, and the degree of access of private parties to the judicial system.

(2) Regulations.—The difficulty and costliness of securing a business license, regulations which inherently favor established business at the expense of newcomers, and limitations on the freedom and ability of citizens to establish businesses or add prohibitive costs or additional risks to maintaining such businesses.

(3) Informal sector.—The extent to which government policies force economic activity into nominally illegal informal sectors where otherwise legal activities are conducted outside of government regulations and requirements, and the extent to which those policies discourage the development of locally controlled non-governmental institutions.

(4) Wage and price controls.—The identity of industries or goods which are subject to government mandated wages or prices, the value of goods sold wholesale and retail subject to

price controls, the degree to which private farmers are forced to sell produce at government established prices, and the degree to which farmers are not allowed to profit from the real market price of their products.

(5) TAXATION.—The highest rate of taxation, the income level at which this rate takes effect, the relationship between per-capita income and the level at which the highest rate of taxation takes effect, rate of the value added tax (VAT), the level of taxation on assets, and the rate of monetary inflation.

(6) TRADE POLICY.—Customs duty rates, quantitative restrictions on imports, import quotas, import prohibitions, foreign exchange availability for those engaged in international trade, export taxes, restrictive export practices, market-distorting export incentives such as subsidies, import licenses, and country-of-origin restrictions.

(7) RESTRICTIONS ON INVESTMENT AND CAPITAL FLOWS.—Limitations on foreign investment and foreign ownership, limits on repatriation of principal and profits for foreign investors, and restrictions on removal of foreign or domestic capital from the home country.

(8) SIZE OF STATE SECTOR.—Value of industries owned by the government, percentage of GNP produced by state-owned industries, prohibitions on private economic activities in certain sectors and the value of the state sector assets.

(9) BANKING.—Degree of government ownership of banking sector, private citizens rights to own and operate banks and citizens' access to private sources of credit.

(d) REPORT.—(1) Beginning two years after the date of enactment of this section, and every 12 months thereafter, the Administrator shall apply the Index to each country which is eligible for assistance under Part I of the Foreign Assistance Act of 1961 on that date and, based upon such evaluation, shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report setting forth the findings of that evaluation. In making that evaluation, the Administrator shall rely, to the maximum extent practicable, on data supplied by private indigenous institutions in less developed countries.

(2) The annual congressional presentation materials for foreign assistance shall include, for each country for which assistance is proposed, the corresponding data from the latest report submitted under paragraph (1).

(e) DETERMINATION OF COUNTRIES ELIGIBLE FOR UNITED STATES SUPPORT.—Beginning two years after the date of enactment of this section, no assistance, financing, guaranty, insurance, or reinsurance may be extended under part I of this Act (other than chapters 8 and 9 relating to international narcotics control and disaster assistance), with respect to a foreign country unless the advisability of furnishing support for that country has been considered in light of the data on that country contained in the latest report submitted under subsection (d).

(f) USE OF INDEX TO EVALUATE COUNTRIES RECEIVING UNITED STATES ASSISTANCE.—In furnishing development assistance under chapter 1 of part I of this Act, the Administrator shall use the Index to promote improvements in the underlying economic conditions

evaluated by the Index while retaining flexibility in designing and implementing development programs and projects. The Administrator shall use the Index as a basis for evaluating the direction of policy changes in less developed countries and as a basis for evaluating specific projects and programs assisted by the Agency for International Development.

Special Foreign Assistance Act of 1986

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[TITLE II—PROMOTING DEMOCRACY IN HAITI

[SEC. 201. FINDINGS CONCERNING HAITI.

[The Congress finds that—

[(1) the establishment of an interim government in Haiti committed to a restoration of democracy provides Haiti with an opportunity to build the political, social, and economic institutions necessary to promote Haiti's development, to provide a better future for the people of Haiti, and to provide the framework for more effective mutual cooperation with the United States, Haiti's neighbor in the Caribbean, and the other nations of the Hemisphere;

[(2) the magnitude of the political, economic, and social tasks facing the people of Haiti will make the achievement of a better future a difficult task which will require a determined and sustained effort by the Haitian people over a long period of time and will require significant external assistance from the United States and other donors; and

[(3) it is in the interest of the United States to provide appropriate support for the development of Haiti, a close neighbor which is one of the world's poorest nations and which is committed to the establishment of the democratic government.

[SEC. 202. ECONOMIC ASSISTANCE FOR HAITI.

[(a) EARMARKING OF FUNDS.—Not less than $108,000,000 of the aggregate amounts available for fiscal year 1987 to carry out sections 103 through 106 of the Foreign Assistance Act of 1961 (relating to development assistance), chapter 4 of part II of that Act (relating to the Economic Support Fund), and titles I and II of the Agricultural Trade Development and Assistance Act of 1954 (relating to the Food for Peace Program) shall be available only for Haiti.

[(b) USE OF DEVELOPMENT ASSISTANCE.—Assistance under sections 103 through 106 of the Foreign Assistance Act of 1961 which is provided for Haiti pursuant to subsection (a) shall be used to support a transition to democracy in Haiti, emphasizing, foreign investment, job creation (especially in the private sector), rural development, health care and sanitation, small-scale irrigation, reforestation and land conservation, and literacy education. Such assistance should reflect the need to distribute development assistance resources more equitably among the various regions in Haiti in order to support sustainable development in all of Haiti.

[(c) Requirement for Segregated Account for Economic Support Assistance Funds Paid to Government of Haiti.—Funds under chapter 4 of part II of the Foreign Assistance Act of 1961 which are made available for Haiti pursuant to subsection (a) may be paid to the Government of Haiti only if the Government of Haiti will maintain those funds in a separate account and not commingle them with other funds.

[(d) Conditions on Economic Support and Development Assistance.—Funds may be obligated for assistance for Haiti under sections 103 through 106 of chapter 4 of part II of the Foreign Assistance Act of 1961 pursuant to subsection (a) only if the President determines that the interim Government of Haiti—

[(1) is improving the human rights situation in Haiti;

[(2) is implementing its timetable for completion of a new constitution that promotes genuine democratic reforms and guarantees the fundamental principles of democracy;

[(3) is establishing a framework for free and open elections leading to a democratically-elected civilian government, which would include free and functioning political parties and associations, free labor unions, and freedom of the press;

[(4) is cooperating fully in implementing United States development, food, and other economic assistance programs in Haiti (including programs for prior fiscal years);

[(5) is maintaining a system of fiscal accountability to ensure that all resources allocated to the development of Haiti are used in the most effective and efficient manner;

[(6) is continuing its investigation of alleged human rights abuses and corruption by the Duvalier government and is prosecuting, in accordance with due process, those responsible for human rights abuses and corruption;

[(7) is maintaining a free and independent judiciary system;

[(8) is continuing to cooperate with the United States in halting illegal emigration to the United States from Haiti; and

[(9) is encouraging private sector development.

[(e) * * *

[(f) Additional Assistance for Economic Development in Haiti.—In order to assist economic development in Haiti, a Foreign Commercial Service officer should be assigned to the United States Embassy in Haiti.

[SEC. 203. MILITARY TRAINING AND OTHER NONLETHAL ASSISTANCE FOR HAITI.

[(a) Authorization of Assistance.—Up to $4,000,000 of the aggregate amounts available for fiscal year 1987 to carry out chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance), chapter 5 of part II of that Act (relating to international military education and training), and the Arms Export Control Act (relating to FMS assistance) may be made available for Haiti for education, training, and other nonlethal assistance (such as transportation equipment, communications equipment, and uniforms).

[(b) Conditions on Military Assistance.—Funds made available pursuant to subsection (a) may be obligated only if the President certifies to the Congress the following:

[(1) The Government of Haiti has submitted a formal request to the United States specifying a comprehensive plan for the reform and reorganization of the mission, command, and control structures of the Haitian armed forces consistent with a transition to democracy, the rule of law, constitutional government, and an elected civilian government. Such a plan should include a publicly announced commitment by the armed forces of Haiti to abide by international human rights standards and adoption of a code of conduct to assure adherence to these standards.

[(2) The Government of Haiti is making substantial efforts—

[(A) to prevent the involvement of the Haitian armed forces in human rights abuses and corruption by removing from those forces and prosecuting, in accordance with due process, those military personnel responsible for the human rights abuses and corruption;

[(B) to ensure that freedom of speech and assembly are respected;

[(C) to conduct investigations into the killings of unarmed civilians in Gonaives, Martissant, and Fort Dimanche, to prosecute, in accordance with due process, those responsible for those killings, and to prevent any similar occurrences in the future;

[(D) to provide education and training to the Haitian armed forces with respect to internationally recognized human rights and the civil and political rights essential to democracy, in order to enable those forces to function consistent with those rights; and

[(E) to take steps to implement the policy of the Government of Haiti requiring former members of the Volunteers for National Security (VSN) to turn in their weapons and to take the necessary actions to enforce this requirement.

[(c) Reports.—Not later than three months after the President submits his certification under subsection (b) and every three months thereafter, the President shall report to the Congress on the extent to which the actions of the Government of Haiti are consistent with each of the objectives specified in subsection (b). Half of the assistance provided pursuant to subsection (a) shall be withheld with delivery until the President submits the first such report.

[(d) Notification to Congress.—Funds made available pursuant to subsection (a) may be obligated only if the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate are notified fifteen days in advance.

[(e) Relation to Existing Provisions.—Assistance under subsection (a) may be provided notwithstanding the limitations contained in section 705(e) of the International Security and Development Cooperation Act of 1985 and is in addition to the assistance allowed under that section.]

International Security and Development Cooperation Act of 1985

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[TITLE I—MILITARY ASSISTANCE AND SALES AND RELATED PROGRAMS

[SEC. 101. FOREIGN MILITARY SALES CREDITS.

[(a) * * *

[(b) * * *

[(c) FMS Financing for Israel.—(1) Of the total amount of credits extended under section 23 of the Arms Export Control Act, not less than $1,800,000,000 for fiscal year 1986 and not less than $1,800,000,000 for fiscal year 1987 shall be available only for Israel.

[(2) Israel shall be released from its contractual liability to repay the United States Government with respect to the credits provided pursuant to paragraph (1).

[(3) If the Government of Israel requests that funds be used for such purposes—

[(A) up to $150,000,000 of the amount of credits made available for Israel pursuant to paragraph (1) for each of the fiscal years 1986 and 1987 shall be available for research and development in the United States for the Lavi program, and

[(B) not less than $250,000,000 of the amount of credits made available for Israel pursuant to paragraph (1) for each of the fiscal years 1986 and 1987 shall be available for the procurement in Israel of defense articles and defense services (including research and development) for the Lavi program.

[(d) FMS Financing for Egypt.—(1) Of the total amount of credits extended under section 23 of the Arms Export Control Act, not less than $1,300,000,000 for fiscal year 1986 and not less than $1,300,000,000 for fiscal year 1987 shall be available only for Egypt.

[(2) Egypt shall be released from its contractual liability to repay the United States Government with respect to the credits extended pursuant to paragraph (1).

[(e) FMS Financing for Greece.—(1) Of the total amount of credits extended under section 23 of the Arms Export Control Act, $500,000,000 for each of the fiscal year 1986 and 1987 shall be available only for Greece.

[(2) For each of the fiscal years 1986 and 1987, of the total amount of credits extended for Greece under section 23 of the Arms Export Control Act, Greece shall receive the same proportion of credits extended at concessional rates of interest as the proportion of credits extended at concessional rates of interest which Turkey receives out of the total amount of credit extended for Turkey under that section, and the average annual rate of interest on the credits extended for Greece at concessional rates of interest shall be comparable to the average annual rate of interest on the credits extended for Turkey at concessional rates of interest. Credits extended for Greece for each of the fiscal year 1986 and 1987 at concessional rates of interest shall not be counted toward any ceiling established be law on concessional financing under the Arms Export Control Act.

[(f) FMS FINANCING AND MAP FOR TURKEY.—For each of the fiscal years 1986 and 1987, the aggregate total of financing under the Arms Export Control Act and assistance under chapter 2 of part II of the Foreign Assistance Act of 1961 provided for Turkey may not exceed $714,280,000. Of this amount, up to $215,000,000 may be used for assistance under chapter 2 of part II of the Foreign Assistance Act of 1961, with the understanding that the United States Government is acting with urgency and determination to oppose any actions aimed at effecting a permanent bifurcation of Cyprus.

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[SEC. 106. GUARANTY RESERVE FUND.

[(a) REPORT ON REPLENISHMENT.—For the purpose of providing recommendations for improving the security interests of the United States and the friends and allies of the United States, the President shall prepare and transmit to the Congress within 90 days after the date of enactment of this Act a report which sets forth the history of United States foreign military sales financing under the Foreign Assistance Act of 1961 and the Arms Export Control Act. Such report shall include recommendations on replenishing the Guaranty Reserve Fund under section 24 of the Arms Export Control Act and recommendations on other matters agreed to in consultation with the chairman and ranking minority member of the Committee on Foreign Relations of the Senate and of the Committee on Foreign Affairs of the House of Representatives.

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[SEC. 129. CONVENTIONAL ARMS TRANSFERS.

[(a) NEGOTIATIONS.—At the earliest possible date, the President should, in consultation with United States allies, initiate discussions with the Soviet Union and France aimed at beginning multilateral negotiations to limit and control the transfer of conventional arms to less developed countries.

[(b) REPORT.—Within one year after the date of enactment of this Act, the President shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report which specifies steps being taken to fulfill the requirements of subsection (a) and which examines and analyzes United States policies concerning the export of conventional arms, especially sophisticated weapons, and possible approaches to developing multilateral limitations on conventional arms sales. This report shall examine and analyze—

[(1) the lessons of earlier efforts to negotiate restraints on the export of conventional arms;

[(2) the evolution of supplier practices and policies;

[(3) the evolution of recipient country attitudes regarding conventional arms transfers;

[(4) the effect upon regional stability and security of conventional arms transfer by the United States and its allies and the Soviet Union and its allies;

[(5) the relationship between arms imports and the external debt of recipient countries, the allocation of their internal resources, and their economic well-being;

[(6) the relationship between arms exports by Western European countries and the needs of those countries to support their domestic military procurement programs;

[(7) the prospects for engaging the Soviet Union in serious discussions concerning arms transfers, both globally and as they relate to regional security problems;

[(8) possible measures by the United States and Western European suppliers to control levels of sophisticated weapons sales, both regionally and globally; and

[(9) the timing and phasing of international conventional arms control negotiations.

[SEC. 130. FOREIGN MILITARY SALES FOR JORDAN.

[(a) Middle East Peace.—The foreign military sales financing authorized by this Act for Jordan is provided and increased in the recognition of progress Jordan has made in the search for a just and lasting peace in the Middle East, to encourage further progress, in recognition of the continuing defense needs of Jordan, and in the expectation that Jordan will enter into direct negotiations with Israel based on United Nations Security Council Resolutions 242 and 338 in order to resolve the state of war between those two countries.

[(b) Sense of Congress.—It is the sense of the Congress that no foreign military sales financing authorized by this Act may be used to finance the procurement by Jordan of United States advanced aircraft, new air defense weapons systems, or other new advanced military weapons systems, and no notification may be made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems, or other new advanced military weapons systems, unless Jordan is publicly committed to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

[(c) Certification.—Any notification made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems, or other new advanced military weapons, shall be accompanied by a Presidential certification of Jordan's public commitment to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.]

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SEC. 132. COOPERATIVE AGREEMENTS ON AIR DEFENSE IN CENTRAL EUROPE.

[(a) General Authorities.—The Secretary of Defense may carry out the European air defense agreements. In carrying out those agreements, the Secretary—

[(1) may provide without monetary charge to the Federal Republic of Germany articles and services as specified in the agreements; and

[(2) may accept from the Federal Republic of Germany (in return for the articles and services provided under paragraph (1) articles and services as specified in the agreements.]

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TITLE II—ECONOMIC SUPPORT FUND

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SEC. 202. ASSISTANCE FOR THE MIDDLE EAST.

[(a) Israel.—(1) Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $1,200,000,000 for fiscal year 1986 and not less than $1,200,000,000 for fiscal year 1987 shall be available only for Israel.

[(2) The total amounts of funds allocated for Israel under that chapter for fiscal year 1986 and fiscal year 1987 shall be made available as a cash transfer on a grant basis. Such transfer shall be made on an expedited basis in the first 30 days of the respective fiscal year. In exercising the authority of this paragraph, the President shall ensure that the level of cash transfer made to Israel does not cause an adverse impact on the total level of nonmilitary exports from the United States to Israel.

[(b) Egypt.—(1) Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Asssitance Act of 1961, not less than $815,000,000 for fiscal year 1986 and not less than $815,000,000 for fiscal year 1987 shall be available only for Egypt.

[(2) All of the funds made available to Egypt under that chapter for the fiscal years 1986 and 1987 shall be provided on a grant basis.

[(3) Up to $115,000,000 of the amounts provided for Egypt for each of the fiscal years 1986 and 1987 pursuant to paragraph (1) may be provided as a cash transfer with the understanding that Egypt will undertake economic reforms or development activities which are additional to those which would be undertaken in the absense of the cash transfer.]

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[SEC. 203. ASSISTANCE FOR CYPRUS.

[(a) Earmarks.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $15,000,000 for fiscal year 1986 and not less than $15,000,000 for fiscal year 1987 shall be available only for Cyprus.

[(b) Cyprus Peace and Reconstruction Fund.—It is the sense of the Congress that, at the appropriate time, $250,000,000 should be authorized to be appropriated time, $250,000,000 should be authorized to be appropriated to provide assistance for Cyprus under chapter 4 of part II of the Foreign Assistance Act of 1961 if the President certifies to the Congress that an agreement has been concluded by the Greek and Turkish Cypriots which is supported by Greece and Turkey and which achieves substantial progress toward settlement of the Cyprus dispute. Such an agreeement should include an agreement on Varosha/Famagusta, foreign troop levels in the Republic of Cyprus, the dispositon of the international airport on Cyprus, or other significant steps which are evidence of substantial progress toward an overall settlement of the Cyprus dispute.

[SEC. 204. ASSISTANCE FOR PORTUGAL.

[Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $80,000,000 for fiscal year 1986 and $80,000,000 for fiscal year 1987 shall be available only for Portugal.

[SEC. 205. ACQUISITION OF AGRICULTURAL COMMODITIES UNDER COMMODITY IMPORT PROGRAMS.

[The President shall use not less than 18 percent of the funds which are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for each of the fiscal years 1986 and 1987, and which are made available for commodity import programs, for the purchase of agricultural commodities of United States-origin.

[SEC. 206. TIED AID CREDIT PROGRAM.

[Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated for Commodity Import Programs—

[(1) not less than $50,000,000 for fiscal year 1986, and

[(2) an aggregate of not less than $100,000,000 for both fiscal years 1986 and 1987,

[shall be deposited in the fund authorized by subsection (c)(2) of section 645 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635r) and shall be used by the Agency for International Development in carrying out the program of tied aid credits for United States exports which is provided for in that section. Funds that have not been obligated pursuant to the tied aid credit program by the end of the third quarter of the fiscal year for which they were appropriated may be used for other purposes under chapter 4 of part II of the Foreign Assistance Act of 1961 if the Administrator of the Agency for International Development certifies to the Congress that (A) no trade credit application acceptable and timely under the Trade and Development Enhancement Act of 1983 is pending, or (B) those funds are not needed for that program because other countries are not engaging in predatory financing practices in order to compete with United States exports.

[SEC. 207 RESTRICTION ON USE OF FUNDS FOR NUCLEAR FACILITIES.

[Funds authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1986 or fiscal year 1987 may not be used to finance the construction of, the operation or maintenance of, or the supplying of fuel for, any nuclear facility in a foreign country unless the President certifies to the Congress that such country is a party to the Treaty on the Non-Proliferation of Nuclear Weapons or the Treaty for the Prohibition of Nuclear Weapons in Latin America (the "Treaty of Tlatelolco"), cooperates fully with the International Atomic Energy Agency, and pursues nonproliferation policies consistent with those of the United States.

[SEC. 208. FISCAL YEAR 1985 SUPPLEMENTAL AUTHORIZATION.

[(a) Authorization.—In addition to the amount appropriated for such purpose by Public Law 98–473, there are authorized to be appropriated $2,008,000,000 for fiscal year 1985 to carry out the purposes of chapter 4 of part II of the Foreign Assistance Act of 1961. Of this amount, $1,500,000,000 shall be available only for Israel, $500,000,000 shall be available only for Egypt, and $8,000,000 shall be available only for the Middle East Regional Program. Amounts appropriated pursuant to this section are authorized to remain available until September 30, 1986.

[(b) Effective Date.—This section shall take effect on the date of enactment of this Act.]

TITLE III—DEVELOPMENT ASSISTANCE

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SEC. 305. PROMOTION OF IMMUNIZATION AND ORAL REHYDRATION.

(a) * * *

(b) Annual Reports.—Each annual report required by section 634 of the Foreign Assistance Act of 1961 shall describe the progress achieved during the preceding fiscal year in carrying out section 104(c)(3) of such Act.

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[SEC. 311. USE OF PRIVATE AND VOLUNTARY ORGANIZATIONS, COOPERATIVES, AND THE PRIVATE SECTOR.

[(a) Study.—The Administrator of the Agency for International Development shall undertake a comprehensive study of additional ways to provide development assistance through nongovernmental organizations, including United States and indigenous private and voluntary organizations, cooperatives, the business community, and other private entities. Such study shall include—

[(1) an analysis of the percentage of development assistance allocated to governmental and nongovernmental programs;

[(2) an analysis of structural impediments, within both the United States and foreign governments, to additional use of nongovernmental programs; and

[(3) an analysis of the comparative economic benefits of governmental and nongovernmental programs.

[(b) Report.—The Administrator shall report the results of this study to the Congress no later than September 30, 1986.

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[SEC. 315. MINORITY SET-ASIDE.

[Except to the extent that the Administrator of the Agency for International Development determines otherwise, not less than 10 percent of the aggregate of the funds made available for each of the fiscal years 1986 and 1987 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be made available only for activities of economically and socially disavantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977), historically black colleges and universities, and private and voluntary organizations which are controlled by individuals who are black Americans, His-

panic Americans, or Native Americans, or who are economically and socially disadvantaged (within the meaning of section 133(c)(5)(B) and (C) of the International Development and Food Assistance Act of 1977). For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.

[TITLE IV—OTHER FOREIGN ASSISTANCE PROGRAMS

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[SEC. 402. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS.

[(a) * * *

[(b) FISCAL YEAR 1985 CONTRIBUTION TO UNITED NATIONS ENVIRONMENT PROGRAM.—Nowithstanding section 614 of the Foreign Assistance Act of 1961 or any other provision of law, $10,000,000 of the funds appropriated for the fiscal year 1985 to carry out chapter 3 of part I of such Act shall be available only for the United Nations Environment Program. This subsection shall take effect on the date of enactment of this Act.

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[TITLE V—INTERNATIONAL TERRORISM AND FOREIGN AIRPORT SECURITY

[PART A—INTERNATIONAL TERRORISM GENERALLY

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[SEC. 502. COORDINATION OF ALL UNITED STATES TERRORISM-RELATED ASSISTANCE TO FOREIGN COUNTRIES.

[(a) COORDINATION.—The Secretary of State shall be responsible for coordinating all assistance related to international terrorism which is provided by the United States Government.

[(b) REPORTS.—Not later than February 1 each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance related to international terrorism which was provided by the United States Government during the preceding fiscal year. Such reports may be provided on a classified basis to the extent necessary, and shall specify the amount and nature of the assistance provided.

[(c) RULE OF CONSTRUCTION.—Nothing contained in this section shall be construed to limit or impair the authority or responsibility of any other Federal agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive Order 12333.

[SEC. 504. PROHIBITION ON IMPORTS FROM AND EXPORTS TO LIBYA.

[(a) PROHIBITION ON IMPORTS.—Notwithstanding any other provision of law, the President may prohibit any article grown, produced, extracted, or manufactured in Libya from being imported into the United States.

[(b) PROHIBITION ON EXPORTS.—Notwithstanding any other provision of law, the President may prohibit any goods or technology, including technical data or other information, subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States, from being exported to Libya.

[(c) DEFINITION.—For purposes of this section, the term "United States", when used in a geographical sense, includes territories and possessions of the United States.

[SEC. 505. BAN ON IMPORTING GOODS AND SERVICES FROM COUNTRIES SUPPORTING TERRORISM.

[(a) AUTHORITY.—The President may ban the importation into the United States of any good or service from any country which supports terrorism or terrorist organizations or harbors terrorist or terrorist organizations.

[(b) CONSULTATION.—The President, in every possible instance, shall consult with the Congress before exercising the authority granted by this section and shall consult regularly with the Congress so long as that authority is being exercised.

[(c) REPORTS.—Whenever the President exercises the authority granted by this section, he shall immediately transmit to the Congress a report specifying—

[(1) The country with respect to which the authority is to be exercised and the imports to be prohibited;

[(2) the circumstances which necessitate the exercise of such authority;

[(3) why the President believes those circumstances justify the exercise of such authority; and

[(4) why the President believes the prohibitions are necessary to deal with those circumstances.

[At least once during each succeeding 6-month period after transmitting a report pursuant to this subsection, the President shall report to the Congress with respect to the actions taken, since the last such report, pursuant to this section and with respect to any changes which have occurred concerning any information previously furnished pursuant to this subsection.

[(d) DEFINITION.—For purposes of this section, the term "United States" includes territories and possessions of the United States.

[SEC 506. INTERNATIONAL ANTI-TERRORISM COMMITTEE.

[The Congress calls upon the President to seek the establishment of an international committee, to be known as the International Anti-Terrorism Committee, consisting of representatives of the member countries of the North Atlantic Treaty Organization, Japan, and such other countries as may be invited and may choose to participate. The purpose of the Committee should be to focus the attention and secure the cooperation of the governments and the public of the participating countries and of other countries on the problems and responses to international terrorism, by serving as a forum at both the political and law enforcement levels.

[SEC. 507. INTERNATIONAL TERRORISM CONTROL TREATY.

[It is the sense of the Congress that the President should establish a process by which democratic and open societies of the world, which are those most plagued by terrorism, negotiate a viable treaty to effectively prevent and respond to terrorist attacks. Such a treaty should incorporate an operative definition of terrorism, and should establish effective close intelligence-sharing, joint counterterrorist training, and uniform laws on asylum, extradition, and swift punishment for perpetrators of terrorism. Parties to such a treaty should include, but not be limited to, those democratic nations who are most victimized by terrorism.

[SEC. 508. STATE TERRORISM.

[It is sense of the Congress that all civilized nations should firmly condemn the increasing use of terrorism by certain states as an official instrument for promoting their policy goals, as evidenced by such examples as the brutal assassination of Major Arthur D. Nicholson, Junior, by a member of the Soviet armed forces.

[PART B—FOREIGN AIRPORT SECURITY

[SEC. 551. SECURITY STANDARDS FOR FOREIGN AIR TRANSPORTATION.

[(a) SECURITY AT FOREIGN AIRPORTS.—Section 1115 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1515) is amended to read as follows:

[“SECURITY STANDARDS IN FOREIGN AIR TRANSPORTATION

[“ASSESSMENT OF SECURITY MEASURES

[“SEC. 1115. (a)(1) The Secretary of Transportation shall conduct at such intervals as the Secretary shall deem necessary an assessment of the effectiveness of the security measures maintained at those foreign airports being served by air carriers, those foreign airports from which foreign air carriers serve the United States, those foreign airports which pose a high risk of introducing danger to international air travel, and at such other foreign airports as the Secretary may deem appropriate.

[“(2) Each such assessment shall be made by the Secretary of Transportation in consultation with the appropriate aeronautic authorities of the foreign government concerned and each air carrier serving the foreign airport at which the Secretary is conducting such assessment.

[“(3) The assessment shall determine the extent to which an airport effectively maintains and administers security measures. In making an assessment of any airport under this subsection, the Secretary shall use a standard which will result in an analysis of the security measures at such airport based upon, at a minimum, the standards and appropriate recommended practices contained in Annex 17 to the Convention on International Civil Aviation, as those standards and recommended practices are in effect on the date of such assessment.

[“CONSULTATION WITH THE SECRETARY OF STATE

[“(b) In carrying out subsection (a), the Secretary of Transportation shall consult the Secretary of State with respect to the terrorist threat which exists, in each country. The Secretary of Transportation shall also consult with the Secretary of State in order to determine which foreign airports are not under the de facto control of the government of the country in which they are located and pose a high risk of introducing danger to international air travel.

[“REPORT OF ASSESSMENTS

[“(c) Each report to the Congress required by section 315 of this Act shall contain a summary of the assessments conducted pursuant to subsection (a).

[“NOTIFICATION TO FOREIGN COUNTRY OF DETERMINATION

[“(d) Whenever, after an assessment in accordance with subsection (a), the Secretary of Transportation determines that an airport does not maintain and administer effective security measures, the Secretary (after advising the Secretary of State) shall notify the appropriate authorities of such foreign government of such determination, and recommend the steps necessary to bring the security measures in use at that airport up to the standard used by the Secretary in making such assessment.

[“NOTICE AND SANCTIONS

[“(e)(1) Paragraph (2) of this subsection shall become effective—

[“(A) 90 days after notification to the foreign government pursuant to subsection (d), if the Secretary of Transportation finds that the foreign government has failed to bring the security measures at the identified airport up to the standard used by the Secretary in making an assessment of such airport under subsection (a); or

[“(B) immediately upon the Secretary of Transportation's determination under subsection (d) if the Secretary of Transportation determines, after consultation with the Secretary of State, that a condition exists that threatens the safety or security of passengers, aircraft, or crew traveling to or from such airport.

[The Secretary of Transportation shall immediately notify the Secretary of State of any determination made pursuant to subparagraph (B) so that the Secretary of State may comply with the requirement of section 552(a) of the International Security and Development Cooperation Act of 1985 that a travel advisory be issued.

[“(2) Subject to paragraph (1), if the Secretary of Transportation determines pursuant to this section that an airport does not maintain and administer effective security measures—

[“(A) the Secretary of Transportation—

[“(i) shall publish the identity of such airport in the Federal Register,

[“(ii) shall cause the identity of such airport to be posted and prominently displayed at all United States airports regularly being served by scheduled air carrier operations, and

[“(iii) shall notify the news media of the identity of such airport;

[“(B) each air carrier and foreign air carrier providing service between the United States and such airport shall provide notice of such determination by the Secretary to any passenger purchasing a ticket for transportation between the United States and such airport, with such notice to be made by written material included on or with such ticket;

[“(C) the Secretary of Transportation, after consultation with the appropriate aeronautical authorities of the foreign government concerned and each air carrier serving such airport, may, notwithstanding section 1102 of this Act and with the approval of the Secretary of State, withhold, revoke, or impose conditions on the operating authority of any air carrier or foreign air carrier to engage in foreign air transportation utilizing such airport; and

[“(D) the President may prohibit air carriers and foreign air carriers from providing service between the United States and any other foreign airport which is directly or indirectly served by aircraft flying to or form the airport with respect to which the determination is made under this section.

[“(3) The Secretary of Transportation shall promptly submit to the Congress a report (with a classified annex if necessary) on any action taken under this subsection, setting forth information concerning the attempts made to secure the cooperation of the foreign government in meeting the standard used by the Secretary in making the assessment of the airport under subsection (a).

[“LIFTING OF SANCTIONS

[“(f)(1) The sanctions required to be imposed with respect to an airport pursuant to subsection (e)(2)(A) and (B) may be lifted only if the Secretary of Transportation, in consultation with the Secretary of State, has determined that effective security measures are maintained and administered at that airport.

[“(2) The Congress shall be notified if any sanction imposed pursuant to subsection (e) is lifted.

[“AUTHORITY FOR IMMEDIATE SUSPENSION OF AIR SERVICE

[“(g) Notwithstanding sections 1102 and 1114 of this Act, whenever the Secretary of Transportation determines that—

[“(1) a condition exists that threatens the safety or security of passengers, aircraft, or crew traveling to or from a foreign airport, and

[“(2) the public interest requires an immediate suspension of services between the United States and the identified airport, the Secretary of Transportation shall, without notice or hearing and with the approval of the Secretary of State, suspend the right of any air carrier or foreign air carrier to enage in foreign air transportation to or from that foreign airport and the right of any person to operate aircraft in foreign air commerce to or from that foreign airport.

[“CONDITIONS OF AUTHORITY

[“(h) The provisions of this section shall be deemed to be a condition to any authority granted under title IV or title VI of this Act to any air carrier or any foreign air carrier, issued under authority vested in the Secretary of Transportation.”.

[(b) CONFORMING AMENDMENTS.—

[(1) INFORMATION IN SEMIANNUAL REPORTS.—Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1356(a)) is amended by adding at the end thereof the following new sentence: "Each semiannual report submitted by the Administrator pursuant to the preceding sentence shall include the information described in section 1115(c) of this Act.".

[(2) Civil penalties.—Section 901(a)(1) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1471(a)(1)) is amended by inserting "or 1115(e)(2)(B)" after "1114."

[(3) Table of contents.—That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE XI—MISCELLANEOUS"

[is amended by striking out

["Sec. 1115. Security standards in foreign air transportation.".

[and inserting in lieu thereof

["Sec. 1115. Security standards in foreign air transportation.
["(a) Assessment of security measures.
["(b) Consultation with the Secretary of State.
["(c) Report of assessments.
["(d) Notification to foreign country of determination.
["(e) Notice and sanctions.
["(f) Lifting of sanctions.
["(g) Authority for immediate suspension of air service.
["(h) Conditions of authority.".

[(c) Closing of Beirut International Airport.—It is the sense of the Congress that the President is urged and encouraged to take all appropriate steps to carry forward his announced policy of seeking the effective closing of the international airport in Beirut, Lebanon, at least until such time as the Government of Lebanon has instituted measures and procedures designed to prevent the use of that airport by aircraft hijackers and other terrorists in attacking civilian airlines or their passengers, hijacking their aircraft, or taking or holding their passengers hostage.

[SEC. 552. TRAVEL ADVISORY AND SUSPENSION OF FOREIGN ASSISTANCE.

[(a) Travel Advisory.—Upon being notified by the Secretary of Transportation that the Secretary has determined, pursuant to subsection (e)(1)(B) of section 1115 of the Federal Aviation Act of 1958 that a condition exists that threatens the safety or security of passengers, aircraft, or crew traveling to or from a foreign airport which the Secretary of Transportation has determined pursuant to that section to be an airport which does not maintain and administer effective security measures, the Secretary of State shall immediately issue a travel advisory with respect to that airport. Any travel advisory issued pursuant to this subsection shall be published in the Federal Register. The Secretary of State shall take the necessary steps to widely publicize that travel advisory.

[(b) Suspension of Foreign Assistance.—The President shall suspend all assistance under the Foreign Assistance Act of 1961 or the Arms Export Control Act to any country in which is located an airport with respect to which section 1115(e)(2) of the Federal Aviation Act of 1958 becomes effective if the Secretary of State determines that such country is a high terrorist threat country. The President may waive the requirements of this subsection if the

President determines and reports to the Congress that national security interests or a humanitarian emergency require such waiver.

[(c) Lifting Sanctions.—The sanctions required to be imposed pursuant to this section may be lifted only if, pursuant to section 1115(f) of the Federal Aviation Act of 1958, the Secretary of Transportation, in consultation with the Secretary of State, has determined that effective security measures are maintained and administered at the airport with respect to which the Secretary of Transportation had made the determination described in section 1115 of that Act.

[(d) Notification to Congress.—The Congress shall be notified if any sanction imposed pursuant to this section is lifted.

[SEC. 553. UNITED STATES AIRMARSHAL PROGRAM.

[(a) Study of Need for Expansion of Program.—The Secretary of Transportation, in coordination with the Secretary of State, shall study the need for an expanded airmarshal program on international flights of United States air carriers. The Secretary of Transportation shall report the results of this study to the Congress within 6 months after the date of this Act.

[(b) Authority To Carry Firearms and Make Arrests.—The Secretary of Transportation, with the approval of the Attorney General and the Secretary of State, may authorize persons, in connection with the performance of their air transportation security duties, to carry firearms and to make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States, if they have reasonable ground to believe that the person to be arrested has committed or is committing a felony.

[SEC. 554. ENFORCEMENT OF INTERNATIONAL CIVIL AVIATION ORGANIZATION STANDARDS.

[The Secretary of State and the Secretary of Transportation, jointly, shall call on the member countries of the International Civil Aviation Organization to enforce that Organization's existing standards and to support United States actions enforcing such standards.

[SEC. 555. INTERNATIONAL CIVIL AVIATION BOYCOTT OF COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.

[It is the sense of the Congress that the President—

[(1) should call for an international civil aviation boycott with respect to those countries which the President determines—

[(A) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

[(B) otherwise support international terrorism; and

[(2) should take steps, both bilaterial and multilateral, to achieve a total international civil aviation boycott with respect to those countries.

[SEC. 556. MULTILATERAL AND BILATERAL AGREEMENTS WITH RESPECT TO AIRCRAFT SABOTAGE, AIRCRAFT HIJACKING, AND AIRPORT SECURITY.

[The Secretary of State shall seek multilateral and bilateral agreement on strengthening enforcement measures and standards for compliance with respect to aircraft sabotage, aircraft hijacking, and airport security.

[SEC. 557. RESEARCH ON AIRPORT SECURITY TECHNIQUES FOR DETECTING EXPLOSIVES.

[In order to improve security at international airports, there are authorized to be appropriated to the Secretary of Transportation from the Airport and Airway Trust Fund (in addition to amounts otherwise available for such purpose) $5,000,000, without fiscal year limitation, to be used for research on and the development of airport security devices or techniques for detecting explosives.

[SEC. 558. HIJACKING OF TWA FLIGHT 847 AND OTHER ACTS OF TERRORISM.

[The Congress joins with all Americans in celebrating the release of the hostages taken from Trans World Airlines flight 847. It is the sense of the Congress that—

[(1) purser Uli Derickson, pilot John Testrake, co-pilot Philip Maresca, flight engineer Benjamin Zimmermann, and the rest of the crew of Trans World Airlines flight 847 displayed extraordinary valor and heroism during the hostages' ordeal and therefore should be commended;

[(2) the hijackers who murdered United States Navy Petty Officer Stethem should be immediately brought to justice;

[(3) all diplomatic means should continue to be employed to obtain the release of the 7 United States citizens previously kidnapped and still held in Lebanon;

[(4) acts of international terrorism should be universally condemned; and

[(5) The Secretary of State should be supported in his efforts to gain international cooperation to prevent future acts of terrorism

[SEC. 559. EFFECTIVE DATE.

[This part shall take effect on the date of enactment of this Act.

[TITLE VI—INTERNATIONAL NARCOTICS CONTROL

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[SEC. 607. PROCUREMENT OF WEAPONS TO DEFEND AIRCRAFT INVOLVED IN NARCOTICS CONTROL EFFORTS.

[Of the funds available to carry out chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance), $1,000,000 for each of the fiscal years 1986 and 1987 shall be made available to arm, for defensive purposes, aircraft used in narcotic control eradication or interdiction efforts. The Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate shall be notified of the use of any such funds for that purpose at least 15 days in advance in accordance with the reprogramming procedures applicable under section 634A of the Foreign Assistance Act of 1961.

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[SEC. 610. ASSISTANCE FOR JAMAICA.

[In allocating assistance for Jamaica for fiscal year 1986 under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), the President shall give major consideration to whether the Government of Jamaica has prepared, presented, and committed itself to a comprehensive plan or strategy for the control and reduction of illicit cultivation, production, processing, transportation, and distribution of marijuana within a specifically stated period of time.

[SEC. 611. ASSISTANCE FOR BOLIVIA.

[Assistance may be provided to Bolivia for fiscal years 1986 and 1987 under chapter 2 (relating to grant military assistance), chapter 4 (relating to the economic support fund), and chapter 5 (relating to international military education and training) of part II of the Foreign Assistance Act of 1961, and under chapter 2 of the Arms Export Control Act (relating to foreign military sales financing), only under the following conditions:

[(1) For fiscal year 1986—

[(A) up to 50 percent of the aggregate amount of such assistance allocated for Bolivia may be provided at any time after the President certifies to the Congress that the Government of Bolivia has enacted legislation that will establish its legal coca requirements, provide for the licensing of the number of hectares necessary to produce the legal requirement, and make unlicensed coca production illegal; and

[(B) the remaining amount of such assistance may be provided at any time following a certification pursuant to subparagraph (A) if the President certifies to the Congress that the Government of Bolivia has achieved the eradication targets for the calendar year 1985 contained in its 1983 narcotics agreements with the United States.

[(2) For fiscal year 1987, such assistance may not be provided unless the President certifies to the Congress that the Government of Bolivia has developed a plan to eliminate illicit narcotics production countrywide and is prepared to enter into an agreement with the United States to implement that plan. If that certification is made, then—

[(A) up to 50 percent of the aggregate amount of such assistance allocated for Bolivia may be provided at any time after the President certifies to the Congress that Bolivia has engaged in narcotics interdiction operations which have significantly disrupted the illicit coca industry in Bolivia or has cooperated with the United States in such operations; and

[(B) the remaining amount of such assistance may be provided at any time after the President certifies to the Congress that Bolivia has either met in calendar year 1986 the eradication targets for the calendar year 1985 contained in its 1983 narcotics agreements with the United States or has entered into an agreement of cooperation with the United States for implementing that plan for 1987 and beyond (including numerical eradication targets) and is making substantial progress toward the plan's objectives, including substantial eradication of illicit coca crops and effective use of United States assistance.

[In the certification required by subparagraph (B), the President shall explain why the terms of the 1983 agreement provided unattainable and the reasons why a new agreement was necessary.

[SEC. 612. ASSISTANCE TO PERU.

[(a) Conditions on Assistance.—United States assistance (as defined by section 481(i)(4) of the Foreign Assistance Act of 1961) may be provided for Peru.

[(1) for fiscal year 1986, only if the President reports to the Congress that the Government of Peru has demonstrated substantial progress in developing a plan that will establish its legal coca requirements, license the number of hectares necessary to produce the legal requirement, and eliminate illicit and unlicensed coca production; and

[(2) for fiscal year 1987, only if the President reports to the Congress that the Government of Peru has developed such a plan and is implementing it.

[(b) Upper Huallaga Valley Project.—Funds authorized to be appropriated for fiscal year 1987 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance) may be made available for the project of the Agency for International Development in the Upper Huallaga Valley of Peru only if the Administrator of that Agency, after consultation with the Congress, determines that a comprehensive review of that project has been completed which establishes the effectiveness of that project in reducing and eradicating coca leaf production, distribution, and marketing in the Upper Huallaga Valley. The assistance for Peru described in this subsection may be provided only if the report required by subsection (a)(2) has been submitted to the Congress.

[SEC. 613. REALLOCATION OF FUNDS IF CONDITIONS NOT MET.

[If any of the assistance described in section 611 is not provided for Bolivia because the conditions specified in that section are not met, or if any of the assistance described in section 612(a) is not provided for Peru because the conditions specified in that section are not met, the President shall reprogram such assistance in order to provide additional assistance to countries which have taken significant steps to halt illicit drug production or trafficking.

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[SEC. 615. LATIN AMERICAN REGIONAL NARCOTICS CONTROL ORGANIZATION.

[(a) Feasibility Study.—The Secretary of State, with the assistance of the National Drug Enforcement Policy Board, shall conduct a study of the feasibility of establishing a regional organization in Latin America which would combat narcotics production and trafficking through regional information-sharing and a regional enforcement unit.

[(b) Report.—No later than six months after the date of enactment of this Act, a report on the advisability of encouraging the establishment of such an organization shall be submitted to the Committee on Foreign Affairs and the Committee on the Judiciary of the House of Representatives and the Committee on Foreign Relations and the Committee on the Judiciary of the Senate.

[SEC. 616. GREATER EFFORT BY UNITED STATES ARMED FORCES TO SUPPORT NARCOTICS CONTROL EFFORTS ABROAD.

[No later than 60 days after the date of enactment of this Act, the President shall report to the Congress on why the United States Armed Forces should not exert greater effort in facilitating and supporting interception of narcotics traffickers, and in gathering narcotics-related intelligence, outside the United States.

[SEC. 617. CUBAN DRUG TRAFFICKING.

[(a) FINDINGS.—The Congress finds that—

[(1) the subject of the flow, use, and control of narcotic and psychotropic substances is a matter of greater international importance;

[(2) the problem of drug abuse and drug trafficking continues to worsen throughout most parts of the world;

[(3) the concerns of the governments of many countries have become manifest in several bilateral and multilateral narcotics control projects;

[(4) United Nations agencies monitor and apply controls on the flow and use of drugs and coordinate multilateral efforts to control production, trafficking, and abuse of drugs;

[(5) the United Nations Fund for Drug Abuse Control funds narcotics projects throughout the world and has been a vehicle since 1971 for multilateral implementation of narcotics control and reduction programs;

[(6) the International Narcotics Control Board is charged with monitoring compliance with the Single Convention on Narcotic Drugs, 1961, and the Convention on Psychotropic Substances, and Cuba is a party to both Conventions;

[(7) the United Nations Commission on Narcotic Drugs is responsible for formulating policies, coordinating activities, supervising the implementation of international conventions, and making recommendations to governments for international drug control;

[(8) the promotion of drug abuse and participation in drug trafficking is universally considered egregious criminal behavior wherever it occurs, whether it occurs locally, nationally, or internationally;

[(9) a Federal grand jury of the United States has indicted four prominent Cuban officials on charges of conspiring to smuggle drugs into the United States;

[(10) United States Government officials have testified at several congressional hearings that the Government of Cuba is facilitating the flow of illicit drugs into the United States in order to obtain hard currency, support guerrilla/terrorist activities, and undermine United States society; and

[(11) such alleged conduct on the part of the Government of Cuba would be injurious to the world community and counter to the general principle of international law that no country has the right to use or permit the use of its territory in such a manner as to injure another country or persons therein.

[(b) RECOMMENDED ACTIONS.—It is the sense of the Congress that the President should—

[(1) acting through the Permanent Representative of the United States to the United Nations, take such steps as may be necessary to place the question of the involvement by the Government of Cuba in illicit drug trafficking on the agenda of the United Nations;

[(2) acting through the Representative of the United States to the Organization of American States, request the Organization of American States to consider this question as soon as possible; and

[(3) request other appropriate international organizations and international forums to consider this question.

[(c) REPORT.—The President shall report to the Congress on the actions taken pursuant to this section.

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[SEC. 619. DRUG TRAFFICKING AND THE PROBLEM OF TOTAL CONFIDENTIALITY OF CERTAIN FOREIGN BANK ACCOUNTS.

[(a) FINDINGS.—The Congress finds that—

[(1) several banks in Latin America and the Caribbean are used by narcotics traffickers as depositories for money obtained in providing illicit drugs to the United States and other countries of the region;

[(2) offshore banks which provide total confidentiality provide a service which materially assists the operations of illicit drug traffickers; and

[(3) cooperation in gaining access to the bank accounts of such narcotics traffickers would materially assist United States authorities in controlling the activities of such traffickers.

[(b) POLICY.—The Congress—

[(1) requests the President to negotiate treaties or appropriate international agreements with all countries providing confidential banking services (giving high priority to countries in the Caribbean region) to provide disclosure to the United States Government of information contained in official records, and in records of bank accounts, concerning persons under investigation for violations of United States law, in particular those regarding international drug trafficking;

[(2) directs the President to include reports on the results of such efforts in the annual International Narcotics Control Strategy Report; and

[(3) reaffirms its intention to obtain maximum cooperation on the part of all governments for the purpose of halting international drug trafficking, and constantly to evaluate the cooperation of those governments receiving assistance from the United States.

[TITLE VII—WESTERN HEMISPHERE

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[SEC. 702. EL SALVADOR.

[(a) SUPPORT FOR EL SALVADOR.—(1) The Congress finds that—

[(A) a free and democratic El Salvador is in the security interest of the United States;

[(B) Jose Napoleon Duarte was elected President of El Salvador in 1984 in the most democratic election held in El Salvador in many years;

[(C) political violence in El Salvador has declined dramatically under President Duarte's leadership;

[(D) President Duarte's policies of respect for human rights, political pluralism, dialogue and reconciliation with the Salvadoran guerrilla force, legal and social reforms and effective defense against the violent overthrow of the Salvadoran government are deserving of praise from all who believe in a democratic form of government;

[(E) the March 31, 1985, legislation and municipal elections were successfully carried out, with 64 percent of the electorate defying guerrilla attacks to vote;

[(F) the victory of President Duarte's Christian Democratic Party reaffirms the support for these policies by his fellow citizens, the essential test of any government or movement;

[(G) in spite of the state of siege technically in effect due to the insurgent threat, observance of free speech, free press, and free assembly are widely enjoyed in El Salvador and permit public airing of opposing political views;

[(H) President Duarte is firmly committed to judicial reform and prosecution of cases involving "death squads";

[(I) President Duarte's leadership and popular support has notably weakened the popular support given the guerrillas, as evidenced by the high levels of voter participation in the free elections held in El Salvador since 1982, the reduction in territory in which the guerrillas can freely operate, their inability to mount frontal military attacks, and their resort to economic sabotage, ambushes, political assassination, and urban terrorism with blatant disregard for basic human rights; and

[(J) President Duarte has succeeded in reversing the decline in his country's economy which, though still weak, has better prospects than in recent years.

[(2) Therefore, it is the sense of the Congress that—

[(A) President Duarte is to be congratulated for his outstanding leadership under difficult circumstances and for his efforts to foster democratic government and institutions in his country, and he is encouraged to continue his efforts to promote political pluralism, democratic institutions, and respect for human rights in his country; and

[(B) the armed services of El Salvador are to be congratulated for their improved performance and professionalism in defending Salvadoran citizens and their democratically elected government from attack by armed insurgents, and especially for their role in helping to protect and uphold the electoral process.

[(3) The Congress reaffirms the importance of continued support for democratic principles and institutions and respect for human rights by the various sectors of Salvadoran society, which is a major factor in United States support for El Salvador.

[(b) OBJECTIVES.—The Congress expects that—

[(1) the Government of El Salvador will be willing to pursue a dialogue with the armed opposition forces and their political representatives for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections;

[(2) the elected civilian government will be in control of the Salvadoran military and security forces, and those forces will comply with applicable rules of international law and with Presidential directives pertaining to the protection of civilians during combat operations, including Presidential directive C111-03-984 (relating to aerial fire support);

[(3) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (c), in ending the activities of the death squads;

[(4) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (c), in establishing an effective judicial system; and

[(5) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (c), in implementing the land reform program.

[(c) Reports.—On October 1, 1985, April 1, 1986, October 1, 1986, and April 1, 1987, the President shall report to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate on the extent to which the objectives described in subsection (b) are being met. With respect to the objective described in paragraph (4) of that subsection, each report shall discuss whether the commission proposed by the President of El Salvador to investigate human rights cases has been established, funded, and given sufficient investigative powers; whether the evidence that commission collects may be used in the Salvadoran judicial process; whether that commission has issued a comprehensive report with regard to its investigation of all Americans murdered in El Salvador; and whether those responsible for the Las Hojas massacre are being prosecuted.

[(d) Aircraft for Aerial Warfare.—(1) The authorities of part II of the Foreign Assistance Act of 1961 and the Arms Export Control Act may not be used to make available to El Salvador any helicopters or other aircraft, and licenses may not be issued under section 38 of the Arms Export Control Act for the export to El Salvador of any such aircraft, unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

[(2) Paragraph (1) shall take effect on the date of enactment of this Act and shall remain in effect until October 1, 1987.

[(e) Special Account for Local Currencies.—(1) All local currencies, which are generated with the funds provided to El Salvador for balance-of-payments support for fiscal years 1986 and 1987 under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), shall be deposited in accordance with section 609 of that Act in a special account established by the Government of El Salvador.

[(2) Local currencies deposited pursuant to paragraph (1) shall be used for projects assisting agrarian reform and the agricultural sector (and particular emphasis shall be placed on projects for these purposes); judicial reform, employment generation; health, education, and other social services; infrastructure repair; and credits and other support for the private sector (principally for small and medium sized businesses).

[(3) For purposes of subsection—

[(A) the term "agrarian reform" means projects assisting or enhancing the abilities of agencies, cooperatives, and farms to implement land reform decrees in El Salvador, notwithstanding section 620(g) of the Foreign Assistance Act of 1961; and

[(B) the term "judicial reform" means projects assisting or enhancing the abilities of agencies of the Salvadoran Government to investigate and prosecute politically motivated violence.

[(f) Development Assistance.—Of the amounts available to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, $79,600,000 for fiscal year 1986 and $79,600,000 for fiscal year 1987 shall be available only for El Salvador.

[(g) Suspension of Assistance if a Military Coup Occurs.—All assistance authorized by this Act which is allocated for El Salvador shall be suspended if the elected President of that country is deposed by military coup or decree.

[SEC. 703. ASSISTANCE FOR GUATEMALA.

[(a) Conditions on Military Assistance and Sales.—For fiscal years 1986 and 1987, assistance may be provided for Guatemala under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance) and sales may be made and financing may be provided for Guatemala under the Arms Export Control Act (relating to foreign military sales) only if the President makes the following certifications to the Congress:

[(1) For fiscal year 1986, an elected civilian government is in power in Guatemala and has submitted a formal written request to the United States for the assistance sales, or financing to be provided.

[(2) For both fiscal year 1986 and 1987, the Government of Guatemala made demonstrated progress during the preceding year—

[(A) in achieving control over its military and security forces,

[(B) toward eliminating kidnappings and disappearances, forced recruitment into the civil defense patrols, and other abuses by such forces of internationally recognized human rights and

[(C) in respecting the internationally recognized human rights of its indigenous Indian population.

[(b) Construction Equipment and Mobile Medical Facilities and Related Training.—If the conditions specified in subsection (a) are met, Guatemala may be provided with the following for fiscal years 1986 and 1987 (in addition to such other assistance, sales, or financing as may be provided for Guatemala):

[(1) Sales of construction equipment and mobile medical facilities to assist in development programs that will directly assist the poor in Guatemala.

[(2) Sales of training, to be provided outside of Guatemala, which is related to the sales described in paragraph (1).

[(3) A total for both fiscal years 1986 and 1987 of no more than $10,000,000 in credits under the Arms Export Control Act for sales described in paragraphs (1) and (2).

[Such sales and credits shall be provided only to enable the military forces of Guatemala to obtain equipment and training for civilian engineering and construction projects and mobile medical teams, which would not be used in the rural resettlement program.

[(c) Prohibition of Furnishing Weapons.—Funds authorized to be appropriated by title I of this Act may not be used for the procurement by Guatemala of any weapons or ammunition.

[(d) Suspension of Assistance if a Military Coup Occurs.—All assistance authorized by this Act which is allocated for Guatemala shall be suspended if the elected civilian government of that country is deposed by military coup or decree.

[(e) Rural Resettlement Program.—Assistance provided for Guatemala for the fiscal year 1986 and fiscal year 1987 under chapter 1 of part I (relating to development assistance) or under chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961—

[(1) may not be provided to the Government of Guatemala for use in its rural resettlement program; and

[(2) shall be provided through private and voluntary organizations to the maximum extent possible.

[(f) Invitation for ICRC To Visit Guatemala.—The Congress calls upon the President to urge the Government of Guatemala to allow the International Committee of the Red Cross—

[(1) to conduct an unimpeded visit to Guatemala in order to investigate humanitarian needs in that country and to report on human rights abuses in that country; and

[(2) to investigate the possibilities of its providing humanitarian services in that country.

[(g) Relations Between Belize and Guatemala.—It is the sense of the Congress that the United States should use its good offices and influence to encourage the Government of Guatemala to recognize the independence of Belize and to enter into a mutual non-aggression treaty with Belize.

[(h) Human Rights Groups in Guatemala.—(1) The Congress finds that—

[(A) the Group for Mutual Support was formed in 1984 to protest the disappearances of Guatemalan civilians;

[(B) the Group for Mutual Support has carried out its work in a peaceful, non-ideological manner, and is the only indigenous human rights group operating in Guatemala; and

[(C) two of the Group's six steering committee members, Hector Gomez and Maria Rosario Godyo de Cuevas, were recently killed.

[(2) It is the sense of the Congress that—

[(A) human rights groups in Guatemala, particularly the Group for Mutual Support, should be allowed to carry out their work against human rights abuses with the full cooperation, protection, and support of the Government of Guatemala; and

[(B) whether the Government of Guatemala allows human rights groups, including the Group for Mutual Support, to carry out their work should be taken into account by the United States in determining whether there is human rights progress in Guatemala.

[SEC. 704. REFUGEES IN HONDURAS.

[Funds authorized to be appropriated by this Act and funds authorized to be appropriated for the "Migration and Refugee Assistance" account for fiscal years 1986 and 1987—

[(1) which are to be used for refugee assistance or other assistance for Nicaraguan Indian refugees in Honduras shall be channeled, to the maximum extent possible, through the United Nations High Commissioner for Refugees, the International Committee of the Red Cross, the Intergovernmental Committee for Migration, or other established and recognized international refugee relief organizations; and

[(2) may not be used to facilitate the involuntary repatriation of Salvadoran refugees who are in Honduras.

[SEC. 705. PROMOTING THE DEVELOPMENT OF THE HAITIAN PEOPLE AND PROVIDING FOR ORDERLY EMIGRATION FROM HAITI.

[(a) USE OF PVOs.—To the maximum extent practicable, assistance for Haiti under chapter 1 of part I (relating to development assistance) and under chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961 should be provided through private and voluntary organizations.

[(a) USE OF PVOs.—To the maximum extent practicable, assistance for Haiti under chapter 1 of part I (relating to development assistance) and under chapter 4 of part II (relating to economic support fund) of the Foreign Assistance Act of 1961 should be provided through private and voluntary organizations.

[(b) CONDITIONS ON ASSISTANCE.—Funds available for fiscal year 1986 and for fiscal year 1987 to carry out chapter 1 of part I (relating to development assistance), chapter 4 of part II (relating to the economic support fund), or chapter 5 of part II (relating to international military education and training) of the Foreign Assistance Act of 1961 may be obligated for Haiti only if the President determines that the Government of Haiti—

[(1) is continuing to cooperate with the United States in halting illegal emigration to the United States from Haiti;

[(2) is cooperating fully in implementing United States development, food, and other economic assistance programs in Haiti (including programs for prior fiscal years); and

[(3) is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of democracy in Haiti, such as progress toward the establishment of political parties, free elections, free labor unions, and freedom of the press.

[(c) REPORTS TO THE CONGRESS.—Not later than one year after the date of the enactment of this Act and one year thereafter, the President shall report to the Congress on the extent to which the actions of the Government of Haiti are consistent with each paragraph of subsection (b).

[(d) ASSISTANCE IN HALTING ILLEGAL EMIGRATION FROM HAITI.—Nothwithstanding the limitations of section 660 of the Foreign Assistance Act of 1961 (relating to police training), funds made available under such Act may be used for programs with Haiti, which shall be consistent with prevailing United States refugee policies, to assist in halting significant illegal emigration from Haiti to the United States.

[(e) LIMITATION ON MAP AND FMS FINANCING.—Assistance may not be provided for Haiti for fiscal year 1986 or fiscal years 1987 under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance) or under the Arms Export Control Act (relating to foreign military sales financing), except for necessary transportation, maintenance, communications, and related articles and services to enable the contribution of migrant and narcotics interdiction operations.

[(f) LITERACY AND OTHER EDUCATION PROGRAMS.—Of the amounts authorized to be appropriated to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance) which are allocated for Haiti, $1,000,000 for fiscal year 1986 and $1,000,000 for fiscal year 1987 shall be available only for literacy and other education programs in Haiti.

[SEC. 706. MILITARY ASSISTANCE FOR PARAGUAY.

[For the fiscal years 1986 and 1987, none of the funds authorized to be appropriated to carry out chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to grant military assistance) or to carry out the Arms Export Control Act (relating to foreign military sales financing) may be used for assistance for Paraguay unless the President certifies to the Congress that the Government of Paraguay has ended the practice of torture and abuse of individuals held in detention by its military and security forces and has instituted procedures to ensure that those arrested promptly be charged and brought to trial.

[SEC. 707. ASSISTANCE FOR PERU.

[(a) HUMAN RIGHTS TRAINING IN IMET PROGRAMS.—Respect for internationally recognized human rights shall be an important component of the training provided for Peru under chapter 5 of part II of the Foreign Assistance Act of 1961 for fiscal year 1986 and for fiscal year 1987.

[(c) STRENGTHENING THE PERUVIAN JUDICIAL SYSTEM.—Of the amount authorized to be appropriated by this Act to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), $1,000,000 for fiscal year 1986 and $1,000,000 for fiscal year 1987 shall be used to strengthen the judicial system in Peru under section 534 of the Foreign Assistance Act of 1961 (relating to administration of justice).

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[SEC. 709. COMPREHENSIVE REPORTS ON ASSISTANCE FOR LATIN AMERICA AND THE CARIBBEAN.

[(a) REQUIREMENT FOR COMPREHENSIVE ACCOUNTING OF ASSISTANCE.—In the annual reports required by section 624 of the Foreign Assistance Act of 1961, the President shall provide to the Congress a full, complete, and detailed accounting of all assistance provided during the fiscal years 1986 and 1987 for Latin America and the Caribbean under the Foreign Assistance Act of 1961 and the Arms Export Control Act.

[(b) INFORMATION TO BE INCLUDED.—The report provided pursuant to subsection (a) shall include for each fiscal year, among other things, the following with respect to each authorization account:

[(1) The specific projects and other activities carried out in each country.

[(2) The number of persons from each country who were provided with training, and the types of training provided.

[(3) The defense articles and defense services provided for each country.

[(4) The types of goods and commodities provided to each country for economic stabilization purposes under chapter 4 of part II of the Foreing Assistnce Act of 1961 (relating to the economic support fund), and a copy of each agreement for the furnishing of any assistance under that chapter.

[(5) The amounts of local currency generated by United States assistance to each country, the uses of those currencies, and the total amount of those currencies still available for use as of the time of the report.

[(6) A report on any transfers or reprogrammings of funds, and a description of how transferred or reprogrammed funds modified the amounts requested for each account.

[(7) A report on the funds which have been obligated but remain unexpended for each country in each account.

[(8) An analysis of the amount of funds and programs provided through nongovernmental as contrasted to governmental channels.

[SEC. 710. USE OF PRIVATE AND VOLUNTARY ORGANIZATIONS.

[To the maximum extent practicable, assistance under chapter 1 of part I (relating to development assistance) and chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961 for countries in Latin America and the Caribbean should be provided through private and voluntary organizations which have a proven record of development assistance efforts overseas.

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[SEC. 713. USE OF EMPLOYEE STOCK OWNERSHIP PLANS IN DEVELOPMENT EFFORTS.

[(a) FINDINGS.—The Congress declares that—

[(1) employee stock ownership plans in industrial, farming, banking, and other enterprises in Central America and the Caribbean can be an important component in achieving United States goals in Central America and the Caribbean; and

[(2) employee stock ownership plans should be used as an instrument in financing growth and transfers of equity in the region, in reorganizing state-owned enterprises into viable employee-owned businesses, in expanding political and economic pluralism, and in strengthening democratic institutions in the region.

[(b) Plan for Expanded Use of ESOPs.—The President is urged to develop a plan for the expanded use of employee stock ownership plans in development efforts of the United States in Central America and the Caribbean, with an emphasis on policy and infrastructural changes needed to encourage voluntary employee stock ownership initiatives by multinational corporations and other private sector enterprises which have investments, are considering making new investments, or are interested in management contracts and joint ventures in the region.

[(c) Task Force.—To assist in this effort, there is established a Presidential Task Force in Project Economic Justice (hereafter in this section referred to as the "Task Force"), which shall consist of individuals appointed by the President who are distinguished leaders of the private sector of the United States, including significant representation of union representatives of workers in successful companies with employee stock ownership plans and of nationally recognized experts in all phases of design, implementation, and operation of employee stock ownership plans. The President shall designate one of the members of the Task Force to serve as Chairman. The Chairman of the Task Force shall appoint a volunteer fund-raising committee, and all the expenses of the Task Force shall be paid without the use of public funds.

[(d) Report.—No later than December 31, 1985, the Task Force shall prepare and transmit to the President and the Congress a report on the expanded use of employee stock ownership plans in the development efforts of the United States in Central America and the Caribbean, including specific recommendations on strategies for using employee stock ownership plans as a means of accelerating the rate of private sector capital formation in Central America and the Caribbean that is systematically linked to expanding ownership and profit-sharing opportunities for all employees.

[SEC. 714. INTERNATIONAL ADVISORY COMMISSION FOR THE CARIBBEAN REGION.

[(a) Findings.—The Congress finds that—

[(1) many of the social, agricultural, educational, and economic problems which confront nations in the Caribbean Region result primarily from social and economic injustice and inadequate economic and agricultural development;

[(2) such problems are not addressed sufficiently by current United States policies toward that region;

[(3) the development of the Caribbean Region is of vital importance to the economic and strategic interests of the United States and its allies; and

[(4) for purposes of defining development plans, providing an international forum for Caribbean Region dvelopment issues, and providing expert advice to donor-aid countries, an international commission is needed as the prime institution for promoting economic cooperation and development in the Caribbean Region.

[(b) Invitations to Participate in Commission.—

[(1) Invitation to caribbean countries.—The President may invite the countries which comprise the Caribbean Region to participate with the United States in a commission to be known as the International Advisory Commission for the Caribbean Region (hereafter in this section referred to as the "Commission").

[(2) INVITATION TO CERTAIN OTHER COUNTRIES.—The President may also invite the Netherlands, the United Kingdom, France, Canada, the Commonwealth of Puerto Rico, and the Virgin Islands to participate in the Commission.

[(c) FUNCTIONS OF COMMISSION.—It is the sense of the Congress that the Commission should—

[(1) examine social, agricultural, educational, and economic issues which affect the Caribbean Region; and

[(2) consult with leaders of the countries in the Caribbean Region and with representatives from public and private organizations involved in matters related to the Caribbean Region in order to evaluate the problems and needs of such countries.

[(d) FUNDING FOR ORGANIZATIONAL MEETING OF COMMISSION.—Of the funds authorized to be appropriated to carry out section 106 of the Foreign Assistance Act of 1961 (relating to development assistance for energy, private and voluntary organizations, and selected development activities), up to a total of $100,000 for fiscal years 1986 and 1987 may be made available to—

[(1) pay reasonable administrative expenses associated with the organizational meeting of the Commission; and

[(2) pay reasonable travel and lodging expenses incurred by commissioners from other participant governments incident to their attendance at the organizational meeting of the Commission.

[(e) REQUEST TO CONGRESS RELATING TO UNITED STATES PARTICIPATION IN THE COMMISSION.—The President should provide cost estimates and request authorization from the Congress in order to provide for the participation of the United States in the Commission (other than United States participation associated with the organizational meeting).

[(f) APPOINTMENT OF UNITED STATES REPRESENTATIVE AND OBSERVERS.—Upon the creation of the Commission—

[(1) the President should consider appointing one individual as the United States representative to the Commission;

[(2) the Speaker of the House of Representatives should consider appointing two Members of the House, one from each major political party, as observers at the Commission; and

[(3) the majority leader of the Senate should consider appointing two Members of the Senate, one from each major political party, as observers at the Commission.

[SEC. 715. * * *

[SEC. 719. RURAL ELECTRIFICATION.

[It is the sense of the Congress that funds appropriated for the fiscal years 1986 and 1987 under section 103(a)(2) of the Foreign Assistance Act of 1961 (relating to development assistance for agriculture, rural development, and nutrition) should be used for a comprehensive rural electrification program in Central America in order to establish conditions of stability and a foundation for economic development.

[SEC. 717. FACILITATING INTERNATIONAL COMMERCE THROUGH MEXICO.

[(a) Finding.—Recognizing that increased levels of balanced intenational trade are an essential component in an economic development program for the region and that the United States has traditionally been the most important trading partner for each of the nations of Latin America, it is the sense of the Congress that current procedures and laws of the Government of Mexico, and practices of its officials, constitute a significant impediment to the transit of vehicles carrying the commodities of international trade through Mexican territory.

[(b) Negotiations and Cooperative Steps Concerning Transit.—As the Government of Mexico has played a valuable role in assisting and encouraging the economic and political development of the region, and in offering advice to the United States as to constructive policies this nation might pursue with respect to peace and prosperity in the area, the Secretary of State, acting independently or with representatives of other Latin American nations, shall initiate negotiations with the Government of Mexico aimed at eliminating or reducing those impediments to international trade. The agenda for such negotiations should include discussions to encourage the Government of Mexico to accede to existing international custom conventions on international in-transit shipments. Such actions are to be taken in concert with the institution by the United States, and the nations of the region where the transiting shipments originate, of appropriate and cooperative steps to make sealed-truck, no-inspection transit administratively acceptable to the Government of Mexico and other transited countries. Similar bilateral or multilateral negotiations by the Secretary of State with nations respecting the same international customs conventions is also encouraged.

[(c) Report.—The Secretary of State shall report the status of these negotiations to Congress by January 1, 1986.]

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[SEC. 719. REPORTS ON FOREIGN DEBT IN LATIN AMERICA.

[(a) Findings.—The Congress finds that—

[(1) the foreign debt of Latin American countries has soared from $27,000,000,000 in 1970 to over $350,000,000,000 in 1983;

[(2) the foreign debt of Latin American countries is a serious obstacle to their economic progress, threatens their stability, and endangers the democratic processes in those nations;

[(3) the economic and political futures of many of the Latin American countries hang in the balance and depend upon a successful resolution of the foreign debt crisis; and

[(4) the confidence of the American people in the United States system of banking is also involved in a successful resolution of the foreign debt crisis.

[(b) Report.—Not later than January 1, 1986, the Secretary of State shall prepare and transmit to the Congress a report on—

[(1) the magnitude of the foreign debt crisis in the Western Hemisphere;

[(2) the impact of the foreign debt crisis on the economies of the countries of Latin America;

[(3) the degree to which the national security interests of the United States are implicated in the crisis;

[(4) the steps being taken and the policy being pursued by the United States aimed at dealing with this crisis;

[(5) the degree to which the foreign debt crisis affects the system of banking in the United States; and

[(6) the steps being taken and the policy being pursued by the United States Government aimed at dealing with this crisis.

[SEC. 720. ECONOMIC ASSISTANCE FOR URUGUAY.

[Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), $15,000,000 for fiscal year 1986 and $15,000,000 for fiscal year 1987 shall be available only for Uruguay.

[SEC. 721. CANADIAN EXPORTS TO THE UNITED STATES.

[(a) Cattle and Hogs.—(1) The Congress finds that—

[(A) livestock prices have been in decline for some time due to excessive supply partially caused by dramatic increases in importation of live cattle and hogs from Canada, which has increased by 1,000 percent in the last decade in the case of hogs alone;

[(B) American livestock producers are suffering from the same general economic crisis affecting all of agriculture, and many will face liquidation or foreclosure in the near future; and

[(C) the disparity between the United States and the Canadian dollar amounts to 32 to 34 percent and results in even further increases in Canadian hogs and cattle being imported into the United States.

[(2) Therefore, it is the sense of Congress that the President should direct appropriate officials of the executive branch, including the United States Trade Representative, the Secretary of Agriculture, and the Secretary of Commerce, to aggressively pursue discussions with the Canadian Government directed toward immediate reduction in the Canadian export of cattle and hogs to the United States.

[(b) Softwood Timber.—(1) The Congress finds that—

[(A) softwood timber prices have been in decline for some time due to excessive supply partially caused by dramatic increases in importation of processed softwood timber from Canada, which has increased from 18 percent of the United States market in the last two years to 35 to 40 percent today;

[(B) American timber producers are suffering from this economic crisis, and the difficulty in acquiring timber from the National Forest System; and

[(C) the disparity between the United States and the Canadian dollar amounts to 32 to 34 percent and results in even further increases in processed softwood timber being imported into the United States.

[(2) Therefore, it is the sense of Congress that the President should direct appropriate officials of the executive branch, including the United States Trade Representative, the Secretary of Agriculture, and the Secretary of Commerce, to aggressively pursue discussions with the Canadian Government directed toward immediate reduction in the Canadian export of softwood timber to the United States.

[SEC. 722. NICARAGUA.

[(a) SETTLEMENT OF THE CONFLICT.—The Congress—

[(1) strongly supports national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful settlement to the Nicaraguan conflict; and

[(2) finds that the United States should, in assisting efforts to reach comprehensive and verifiable final agreements based on the Contadora Document of Objectives, encourage the Government of Nicaragua to pursue a dialogue with the armed opposition forces and their political representatives for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections.

[(b) UNITED STATES CONCERNS ABOUT NICARAGUAN FOREIGN AND DOMESTIC POLICIES.—The Congress finds and declares the following:

[(1) Despite positive actions by the Congress signaling support for negotiated solutions to conflicts in Central America, there are disturbing trends in Nicaragua's foreign and domestic policies, including—

[(A) President Daniel Ortega's April 1985 trip to the Soviet Union at a time when the Congress signaled its strong disapproval of increasing Nicaraguan-Soviet ties;

[(B) the Sandinista government's close military ties with Cuba, the Soviet Union, and its Warsaw Pact allies; the disappointing and insufficient reduction of the number of Cuban advisors in Nicaragua by only 100 out of an approximately 2,500; and the continuing military buildup that Nicaragua's neighbors consider threatening;

[(C) the Sandinista government's curtailment of individual liberties, political expression, freedom of worship, and the independence of the media;

[(D) the subordination of military, judicial, and internal security functions to the ruling political party; and

[(E) the Sandinista government's efforts to export its influence and ideology.

[(2) If Nicaragua does not address the concerns described in paragraph (1), the United States has several options to address this challenge to peace and stability in the region, including political, diplomatic, and trade sanctions. In addition, the United States—

[(A) should through appropriate regional organizations, such as the Organization of American States, seek to maintain multilateral pressure on Nicaragua to address these concerns; and

[(B) should, if called upon to do so, give serious consideration to supporting any sanctions adopted by such an organization.

[(3) In assessing whether or not progress is being made in addressing these concerns, the Congress will expect prompt and significant initiatives by the Government of Nicaragua such as—

[(A) the removal of foreign military advisors from Nicaragua;

[(B) the end to Sandinista support for insurgencies in other countries in the region, including the cessation of military supplies to the rebel forces fighting the democratically elected government in El Salvador;

[(C) restoration of individual liberties, political expression, freedom of worship, and the independence of the media; and

[(D) progress toward international reconciliation and a pluralistic democratic system, including steps to liberalize institutions in order to allow the internal opposition in Nicaragua to become a viable partner in the Nicaraguan political process.

[(c) Resolution of the Conflict in Nicaragua.—

[(1) Basis for policy.—The Congress finds that—

[(A) the people of Nicaragua are suffering the horrors of a fierce armed conflict that is causing grave hardships and loss of life, has thrown the country into a serious political, social, and economic upheaval, and is of serious concern to the nations of the region and to the United States;

[(B) this conflict is fundamentally a continuation of efforts of the Nicaraguan people to attain a representative government at peace with its neighbors, efforts which began under the Somoza regime; and

[(C) the United States recognized these noble aspirations of the Nicaraguan people in the June 23, 1979, resolution of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States, which reads as follows:

[“WHEREAS:

[“The people of Nicaragua are suffering the horrors of a fierce armed conflict that is causing grave hardships and loss of life, and has thrown the country into a serious political, social and economic upheaval;

[“The inhumane conduct of the dictatorial regime governing the country, as evidenced by the report of the Inter-American Commission on Human Rights, is the fundamental cause of the dramatic situation faced by the Nicaraguan people; and

[“The spirit of solidarity that guides Hemisphere relations places an unavoidable obligation on the American countries to exert every effort within their power, to put an end to the bloodshed and to avoid the prolongation of this conflict which is disrupting the peace of the Hemisphere;

[“THE SEVENTEENTH MEETING OF CONSULTATION OF MINISTERS OF FOREIGN AFFAIRS,

[“DECLARES:

[“That the solution of the serious problem is exclusively within the jurisdiction of the people of Nicaragua.

[“That in the view of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs this solution should be arrived at on the basis of the following:

[“1. Immediate and definitive replacement of the Somoza regime.

[“2. Installation in Nicaraguan territory of a democratic government, the composition of which should include the principal representative groups which oppose the Somoza regime and which reflects the free will of the people of Nicaragua.

[“3. Guarantee of the respect for human rights of all Nicaraguans without exception.

[“4. The holding of free elections as soon as possible, that will lead to the establishment of a truly democratic government that guarantees peace, freedom, and justice.

[“RESOLVES:

[“1. To urge the member states to take steps that are within their reach to facilitate an enduring and peaceful solution of the Nicaraguan problem on the bases set forth above, scrupulously respecting the principle of nonintervention and abstaining from any action that might be in conflict with the above bases or be incompatible with a peaceful and enduring solution to the problem.

[“2. To commit their efforts to promote humanitarian assistance to the people of Nicaragua and to contribute to the social and economic recovery of the country.

[“3. To keep the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs open while the present situation continues.”.

[(2) THE GOVERNMENT OF NICARAGUA.—The Congress further finds that—

[(A) the Government of National Reconstruction of Nicaragua formally accepted the June 23, 1979, resolution as a basis for resolving the Nicaraguan conflict in its “Plan to Achieve Peace” which was submitted to the Organization of American States on July 12, 1979;

[(B) the June 23 1979, resolution and its acceptance by the Government of National Reconstruction of Nicaragua was the formal basis for the removal of the Somoza regime and the installation of the Government of National Reconstruction;

[(C) the Government of National Reconstruction, now known as the Government of Nicaragua and controlled by the Frente Sandinista (the FSLN), has flagrantly violated the provisions of the June 23, 1979, resolution, the rights of the Nicaraguan people, and the security of the nations in the region, in that it—

[(i) no longer includes the democratic members of the Government of National Reconstruction in the political process;

[(ii) is not a government freely elected under conditions of freedom of the press, assembly, and organization, and is not recognized as freely elected by its neighbors, Costa Rica, Honduras, and El Salvador;

[(iii) has taken significant steps towards establishing a totalitarian Communist dictatorship, including the formation of FSLN neighborhood watch committees and the enactment of laws that violate human rights and grant undue executive power;

[(iv) has committed atrocities against its citizens as documented in reports by the Inter-American Commission on Human Rights of the Organization of American States;

[(v) has aligned itself with the Soviet Union and Soviet allies, including the German Democratic Republic, Bulgaria, Libya, and the Palestine Liberation Organization;

[(vi) has committed and refuses to cease aggression in the form of armed subversion against its neighbors in violation of the Charter of the United Nations, the Charter of the Organization of American States, the Inter-American Treaty of Reciprocal Assistance, and the 1965 United Nations General Assembly Declaration on Intervention; and

[(vii) has built up an army beyond the needs of immediate self-defense, at the expense of the needs of the Nicaraguan people and about which the nations of the region have expressed deepest concern.

[(3) THE NICARAGUAN DEMOCRATIC OPPOSITION.—The Congress further finds that—

[(A) as a result of these violations, the Government of Nicaragua has lost the support of virtually all independent sectors of Nicaraguan society who initially supported the removal of the Somoza regime (including democratic political parties of the left, center, and right; the leadership of the Church; free unions; and the business, farmer, and professional sectors) and who still seek democracy, reject the rule of the Frente Sandinista, and seek the free elections promised in 1979;

[(B) the Nicaraguan political opposition has joined with the armed opposition groups in issuing the San Jose Manifesto of March 1, 1985, calling for a national dialogue under mediation by the Nicaraguan Bishops Conference to peacefully attain the fulfillment of the Government of Nicaragua's commitments to the Organization of American States, including "the democratization of Nicaragua, conscious that democracy is the only means to carry out an authentic revolution and secure our national identity and sovereignty";

[(C) on June 12, 1985, in San Salvador, El Salvador, the political and armed opposition groups representing the entire democratic political spectrum of Nicaragua formed the United Nicaraguan Opposition and affirmed their "historical commitment to achieve for Nicaragua the reconciliation of her children, to establish the foundation for democracy and the moral and material reconstruction of the nation"; and

[(D) the United Nicaraguan Opposition further declared its intention to "give priority at all times to a political solution which will ease the suffering of our people".

[(4) CONCERNS IN THE REGION AND UNITED STATES RESPONSIBILITIES.—The Congress further finds that—

[(A) Nicaragua's neighbors, Costa Rica, El Salvador, and Honduras, have expressed, individually and through the Contadora process, their belief that their peace and freedom is not safe so long as the Government of Nicaragua excludes from power most of Nicaragua's political leadership and is controlled by a small sectarian party, without regard to the will of the majority of Nicaraguans; and

[(B) the United States, given its role in the installation of the current Government of Nicaragua, has a special responsibility regarding the implementation of the commitments made by that Government in 1979, especially to those who fought against Somoza to bring democracy to Nicaragua with United States support.

[(5) RESOLUTION OF THE CONFLICT.—The Congress—

[(A) condemns the Government of Nicaragua for violating its solemn commitments to the Nicaraguan people, the United States, and the Organization of American States;

[(B) affirms that the Government of Nicaragua will be regarded as having achieved political legitimacy when it fulfills its 1979 commitment to the Organization of American States to implement genuinely democratic elections, under the supervision of the Organization of American States, in which all elements of the Nicaraguan resistance can peacefully participate under conditions recognized as necessary for free elections by international bodies;

[(C) urges the Government of Nicaragua to enter a national dialogue, as proposed by the Nicaraguan democratic resistance in San Jose, Costa Rica, on March 1, 1985, under mediation by the Nicaraguan Bishops Conference in order to peacefully resolve the current crisis through internationally recognized elections in which all elements of Nicaraguan society can freely participate;

[(D) supports the Nicaraguan democratic resistance in its efforts to peacefully resolve the Nicaraguan conflict and to achieve the fulfillment of the Government of Nicaragua's solemn commitments to the Nicaraguan people, the United States, and the Organization of American States;

[(E) supports efforts by the Contadora nations, the Organization of American States, and other appropriate regional organizations to maintain multilateral pressure on Nicaragua to fulfill its commitments; and

[(F) requests that the Secretary of State transmit the text of this subsection to the Foreign Ministers of the member states of the Organization of American States.

[(d) PROHIBITION RELATING TO MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA.—Notwithstanding any other provision of law, no funds authorized to be appropriated or otherwise made available by this Act (except the funds authorized to be appropriated in this section), by the Foreign Assistance Act of 1961, or by the Arms Export Control Act shall be used to provide assistance of any kind, either directly or indirectly, to any person or group engaging in an insurgency or other act of rebellion against the Government of Nicaragua. The United States shall not enter into any arrangement conditioning, expressly or impliedly, the provision of assistance under this Act or the purchase of defense articles and services under the Arms Export Control Act upon the provision of assistance by a recipient to persons or groups engaging in an insurgency or other act of rebellion against the Government of Nicaragua.

[(e) LIMITATION ON USE OF FUNDS AGAINST NICARAGUA.—None of the funds authorized to be appropriated in this or any other Act can be used to fund directly, or indirectly, activities against the Government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the Government United Staes.

[(f) FOOD AID TO THE NICARAGUAN PEOPLE—In cooperation with Cardinal Miguel Obando y Bravo and private and voluntary organizations, the President should explore and promote means for providing food aid to the Nicaraguan people through private and voluntary organizations and the Catholic Church.

[(g) HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE.—(1) Effective upon the date of enactment of this Act, there are authorized to be appropriated $27,000,000 for humanitarian assistance to the Nicaraguan democratic resistance. Such assistance shall be provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense.

[(2) The assistance authorized by this subsection is authorized to remain available for obligation until March 31, 1986.

[(3) One-third of the assistance authorized by this subsection shall be available for obligation at any time after the appropriation of funds pursuant to such authorization, an additional one-third shall be available for obligation upon submission of the first report required by subsection (j), and the remaining one-third shall be available for obligation upon submission of the second such report.

[(4) The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons systems, ammunition, or other equipment, vehicle, or material which can be used to inflict serious bodily harm or death.

[(5) As used in this subsection, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles, or materials which can be used to inflict bodily harm or death.

[(h) ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT.—Effective upon the date of enactment of this Act, there are authorized to be appropriated $2,000,000, which are authorized to remain available until expended, for payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Columbia, and Venezuela) of an agreement among the countries of Central America based on the

Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems.

[(i) POLICIES WITH RESPECT TO NICARAGUA—The President is hereby urged and requested—

[(1) to pursue vigorously the use of diplomatic and economic measures to resolve the conflict in Nicaragua, including simultaneous negotiations—

[(A) to implent the Contadora Document of Objectives of September 8, 1983; and

[(B) to develop, in close consultation and cooperation with other nations, trade and economic measures to complement such policies of the United States and to encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

[(2) to suspend the economic sanctions imposed by the President on May 1, 1985, and the United States military maneuvers in Honduras and off the coast of Nicaragua, if the Government of Nicaragua agrees—

[(A) to cease fire,

[(B) to open a dialogue with all elements of the opposition, including the Nicaraguan democratic resistance, and

[(C) to suspend the state of emergency in Nicaragua;

[(3) to call upon the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

[(4) to resume bilateral discussions with the Government of Nicaragua with a view of encouraging—

[(A) a church-mediated dialogue between the Government of Nicaragua and all elements of the opposition, including the Nicaraguan democratic resistance, in support of internal reconciliation as called for by the Contadora Document of Objectives; and

[(B) a comprehensive, verifiable agreement among, the nations of Central America, based on the Contadora Document of Objectives.

[(j) REPORTS.—The President shall submit a report to the Congress 90 days after the date of enactment of this Act, and every 90 days thereafter, on any actions taken to carry out subsections (g) and (h). Each such report shall include—

[(1) a detailed statement of any progress made in reaching a negotiated settlement referred to in subsection (i)(1), including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

[(2) a detailed accounting of the disbursements made to provide humanitarian assistance with the funds provided pursuant to subsection (g); and

[(3) a discussion of the alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to comply with the request referred to in subsection (i)(3).

[(k) SUBMISSION OF REQUEST FOR ADDITIONAL ASSISTANCE FOR THE CENTRAL AMERICA PEACE PROCESS.—If the President determines at any time after the enactment of this Act that—

[(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promise of producing an agreement, or

[(2) other trade economic measures will assist in a resolution of the conflict, or to stabilization in the region,

[the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

[(l) STATEMENT TO BE INCLUDED.—The President's request pursuant to subsection (k) shall include a detailed statement as to progress made to resolve the conflict in the region.

[(m) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (k), the President shall consult with the Congress.

[(n) HOUSE PROCEDURES.—(1) The provisions of this subsection apply, during the 99th Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (k).

[(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (k)—

[(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central America peace process that the President request pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91672.";

[(B) which does not have a preamble; and

[(C) the title of which is as follows: "Joint Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.".

[(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

[(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

[(5)(A) At any time after the first joint resolution placed on the approrpriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration fo that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

[(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

[(C) An amendment to the joint resolution is not in order.

[(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

[(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

[(o) Senate Procedures.—A joint resolution which is introduced in the Senate within 3 calendar days after the day on which the Congress receives a Presidential request described in subsection (k) and which, if enacted, would grant the President the authority to take any or all of the actions described in subsection (k) shall be considered in accordance with procedures contained in paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

[(1) references in such paragraphs to the Committees on Appropriations of the Senate shall be deemed to be references to the appropriate committee on committees of the Senate; and

[(2) amendments to the joint resolution are in order.

[(p) * * * [Repealed—1987]

[(q) Statement To Be Included.—The President's request pursuant to subsection (p) shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

[(r) Consultation With the Congress.—In formulating a request pursuant to subsection (p), the President shall consult with the Congress.

[(s) * * * [Repealed—1987]

[(t) * * * [Repealed—1987]

[(u) Congressional Rulemaking Powers.—Subsections (n), (o), (s), (t) are enacted—

[(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under this section, and they supersede other rules only to the extent that they are inconsistent with such rules;

[(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule in the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measures.

[TITLE VIII—AFRICA

[SEC. 801. BALANCE-OF-PAYMENTS SUPPORT FOR COUNTRIES IN AFRICA.

[(a) ESF Commodity Import and Sector Programs.—Agreements with countries in Africa which provide for the use of funds made available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for the fiscal year 1986 and 1987 to finance imports by those countries (under commodity import programs or sector programs) shall require that those imports be used to meet long-term development needs in those countries in accordance with the following criteria:

[(1) Spare parts and other imports shall be allocated on the basis of evaluations, by the agency primarily responsible for administering part I of the Act, of the ability of likely recipients to use such spare parts and imports in a maximally productive, employment generating, and cost effective way.

[(2) Imports shall be coordinated with investments in accordance with the recipient country's plans for promoting economic development. The agency primarily responsible for administering part I of that Act shall asess such plans to detemine whether they will effectively promote economic development.

[(3) Emphasis shall be placed on imports for agricultural activities which will expand agricultural production, particularly activities which expand production for export or production to reduce reliance on imported agricultural products.

[(4) Emphasis shall also be placed on a distribution of imports having a broad development impact in terms of economic sectors and geographic regions.

[(5) In order to maximize the likelihood that the imports financed by the United States under such chapter are in addition to imports which would otherwise occur, consideration shall be given to historical patterns of foreign exchange uses.

[(6)(A) Seventy-five percent of the foreign currencies generated by the sale of such imports by the government of the country shall be deposited in a special account established by that government and, except as provided in subparagraph (B), shall be available only for use in accordance with the agreement for economic development activities which are consistent with the policy directions of section 102 of the Foreign Assistance Act of 1961 and which are the types of activities for which assistance may be provided under sections 103 through 106 of that Act.

[(B) The agreement shall require that the government of the country make available to the United States Government such portion of the amount deposited in the special account as may be determined by the President to be necessary for requirements of the United States Government.

[(b) Annual Evaluations.—The agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall conduct annual evaluations of the extent to which the criteria set forth in this subsection have been met.

[SEC. 802. ECONOMIC SUPPORT ASSISTANCE FOR SOUTHERN AFRICA.

[(a) Funds for Southern Africa Regional Programs.—Of the amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $30,000,000 for fiscal year 1986 and not less than $30,000,000 for fiscal year 1987 shall be available only for regional programs in southern Africa. Not less than 50 percent of each of these amounts shall be allocated to assist sector projects supported by the Southern Africa Development Coordination Conference (SADCC) to enhance the economic development of the nine member states forming this important regional institution, especially in the following sectors: transportation, agriculture research and training, manpower development, and institutional support for the SADCC secretariat.

[(b) Studies Relating to Southern Africa Regional Programs.—(1) The administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall conduct a study which evaluates—

[(A) the assistance which that agency provides to the Southern Africa Development Coordination Conference and other African regional institutions and economic development organizations, and

[(B) ways to improve such assistance.

[(2) The administrator shall also conduct a study which assesses what type of bureaucratic mechanism within that agency might be established to coordinate assistance to all African regional institutions.

[(3) The administrator shall submit the results of the studies conducted pursuant to this subsection to the Congress within 3 months after the date of enactment of this Act.

[(c) South Africa Educational Training Programs.—Funds available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1986 and fiscal year 1987 which are used for education or training programs in South Africa may not be used for programs conducted by or through organizations in South Africa which are financed or controlled by the Government of South Africa, such as the "homeland" and "urban council" authorities. Such funds may only be used for programs which in both their character and organizational sponsorship in South Africa clearly reflect the objective of a majority of South Africans for an end to the apartheid system of separate development. Nothing in this subsection shall be construed to prohibit programs which are consistent with this subsection and which award university scholarships to students who choose to attend a South African-supported university.

[(d) Human Rights Fund for South Africa.—Of the amount allocated for the Human Rights Fund for South Africa under chapter 4 of part II of the Foreign Assistance Act of 1961 for each of the fiscal years 1986 and 1987, not less than 35 percent shall be used for direct legal and other assistance to political detainees and prisoners and their families, including the investigation of the killing of protestors and prisoners, and for support for actions of black-led community organizations to resist, through non-violent means, the enforcement of apartheid policies such as—

[(1) removal of black populations from certain geographic areas on account of race or ethnic origin,

[(2) denationalization of blacks, including any distinctions between the South African citizenships of blacks and whites,

[(3) residence restrictions based on race or ethnic origin,

[(4) restrictions on the rights of blacks to seek employment in South Africa and live wherever they find employment in South Africa, and

[(5) restrictions which make it impossible for black employees and their families to be housed in family accommodations near their place of employment.]

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[SEC. 804. ASSISTANCE FOR ZAIRE.

[(a) Economic Support Assistance.—Funds allocated for assistance for Zaire under chapter 4 of part II of the Foreign Assistance Act of 1961 for each of the fiscal years 1986 and 1987 shall be used only for assistance which is provided in accordance with the provisions applicable to assistance under chapter 1 of part I of the Foreign Assistance Act of 1961. Such assistance shall be provided, to the maximum extent practicable, through private and voluntary organizations.

[(b) Military Assistance.—For each of the fiscal years 1986 and 1987—

[(1) the value of assistance provided under chapter 2 of part II of the Foreign Assistance Act of 1961 for Zaire may not exceed $7,000,000; and

[(2) financing may not be provided under the Arms Export Control Act of Zaire.

[SEC. 805. ASSISTANCE FOR TUNISIA.

[(a) Policy Concerning Security Assistance.—The United States provides security assistance to Tunisia in recognition of the traditional friendship between the United States and Tunisia and our common interests in the region. The provision of such assistance is also based on the expectation that political stability and development in Tunisia will be best advanced through continued growth of democratic institutions.

[(b) Earmarking of MAP and ESF.—For each of the fiscal years 1986 and 1987—

[(1) not less than $15,000,000 of the amounts authorized to be appropriated to carry out chapter 2 of part II of the Foreign Assistance Act of 1961, and

[(2) not less than $20,000,000 of the amounts authorized to be appropriated to carry out chapter 4 of part II of that Act,

shall be available only for Tunisia.

[SEC. 806. POLITICAL SETTLEMENT IN SUDAN.

[(a) Findings.—The Congress finds that—

[(1) friendship and mutual interests bind the United States and Sudan; and

[(2) the peace, security, and economic development of Sudan depend in large part on addressing the problems associated with the traditional north- south division in that country through political rather than military means.

[(b) UNITED STATES POLICY.—It is, therefore, the policy of the United States that the provision of security assistance to Sudan shall be based on the expectation that the Government of Sudan will make progress toward reaching a political settlement with all parties to the conflict in the south of Sudan.

[SEC. 807. ELECTIONS IN LIBERIA.

[In recognition of the special relationship that the United States has with Liberia and of the wide variety of interests that the United States has in Liberia, security assistance for Liberia for fiscal years 1986 and 1987 is based on the expectation of a successful completion of free and fair elections, on a multiparty basis, in October 1985 as proposed by the Government of Liberia and on a return to full civilian, constitutional rule as a consequence of those elections.

[SEC. 808. WESTERN SAHARA.

[(a) UNITED STATES POLICY.—The policy of the United States shall be to support a negotiated political solution to the conflict in the Western Sahara taking into account the principle of self-determination as outlined in the 1981 Nairobi resolution and to encourage all parties to the conflict to reach a peaceful internationally recognized settlement. As part of this policy, the United States should carefully consider each type of military assistance it furnishes to any of the parties to the conflict and should seek to insure that the furnishing of such military assistance is consistent with United States policy which seeks a negotiated settlement.

[(b) FURTHER STATEMENT OF POLICY.—It is further policy of the United States to support Morocco's legitimate defense needs and to discourage aggression by any country in North Africa against another.

* * * * * * *

[SEC. 812. FAILURE OF THE ETHIOPIAN GOVERNMENT TO RESPONSIBLY AMELIORATE FAMINE CONDITIONS.

[(a) FINDINGS.—The Congress finds that—

[(1) many thousands of Ethiopian people have suffered and died, and an additional ten million people are in danger of death, through starvation caused by prolonged drought;

[(2) The Government of the United States has a continuing commitment to the emergency fund under title II of the Agricultural Trade Development and Assistance Act of 1954 (the Food For Peace Act);

[(3) United States emergency food assistance for Africa in fiscal year 1985 is more than twice the amount provided in fiscal year 1984, and is the largest amount contributed by any single donor;

[(4) the Ethiopian Government, as a client state of the Soviet Union, has considered the equipage and modernization of its five hundred thousand-person military organization more vital than alleviating the suffering of its people caused by drought;

[(5) the Ethiopian Government has considered the funding of its military organization more vital than promoting a viable national agrarian policy;

[(6) there is evidence that the Government of Ethiopia has used the drought-caused famine to induce cooperation from certain dedicated Ethiopians who seek to bring about fundamental changes in their country;

[(7) the United States Government is concerned about the seizure by the Ethiopian Government of an Australian aid ship in an attempt to cut off food to its citizens in the northern regions, an area most severely stricken by famine; and

[(8) the Ethiopian Government deems the appearance and status of its socialist system more worthy of attention than its citizens and agricultural policies in need.

[(b) Statement of Policy.—It is the sense of the Congress that—

[(1) the Government of Ethiopia should be condemned for failing in its responsibility to sufficiently ameliorate the severe drought and famine conditions throughout its agrarian countryside;

[(2) the Government of Ethiopia should allocate more of its resources toward the development of a more balanced and effective agrarian system;

[(3) human rights monitoring groups can be a positive force for human rights in Ethiopia and should be allowed to function and should be supported;

[(4) the Government of Ethiopia should initiate a genuine policy of national reconciliation;

[(5) the continued improvement of Ethiopia's treatment of the Ethiopian people and respect for human rights would be better relations between the United States and Ethiopia;

[(6) the President or his representative should convey to Ethiopian officials the concerns of the Congress expressed in this section at every opportunity; and

[(7) the President or his representatives should also convey these concerns of the Congress to the governments of United States allies and urge the cooperation of those governments in efforts to ensure a more responsible Ethiopian Government.

[(c) Prohibition on Imports and Exports.—(1) The President shall determine, within 30 days after the date of enactment of this Act, whether the Ethiopian regime is conducting a deliberate policy of starvation of its people and has not granted fundamental human rights to its citizens. The President shall submit that determination, and the basis for the determination, to the Congress.

[(2) If the President determines that such a policy is being conducted and that such rights are not being granted, paragraph (3) shall take effect if the Congress enacts a joint resolution approving that determination.

[(3) If the conditions specified in paragraph (1) and (2) are met—

[(A) goods and services of Ethiopian origin may not be imported into the United States; and

[(B) except for emergency relief, rehabilitation, and recovery assistance, goods, and services of United States origin may not be exported (directly or indirectly) to Ethiopia.

[(d) Prohibition on Economic Assistance.—The President shall suspend all forms of economic assistance to the Government of Ethiopia. This section shall not be construed to prevent the furnishing of international disaster assistance under section 491 of the Foreign Assistance Act of 1961 or economic assistance which will directly benefit people in accordance with section 116 of that Act.

[SEC. 813. ASSISTANCE FOR THE PEOPLE'S REPUBLIC OF MOZAMBIQUE.

[(a) Economic Assistance.—The funds authorized to be appropriated for fiscal years 1986 and 1987 to carry out chapter 1 of part I (relating to development assistance) and chapter 4 of part II (relating to the economic support fund) of the Foreign Assistance Act of 1961 that are allocated for bilateral assistance to the People's Republic of Mozambique shall be used solely for assistance to the private sector of the economy of Mozambique to the maximum extent practicable. To the maximum extent practicable, such funds shall be channeled to non-governmental entities in Mozambique.

[(b) Military Assistance.—(1) None of the funds authorized to be appropriated for fiscal year 1986 or fiscal year 1987 to carry out chapter 2 of part II (relating to grant military assistance) or chapter 5 of part II (relating to international military education and training) of the Foreign Assistance Act of 1961 shall be used to provide assistance to the People's Republic of Mozambique unless the President makes the certification described in paragraph (2) before providing any such assistance for that fiscal year.

[(2) The certification required by paragraph (1) is a certification by the President to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate that the Government of the People's Republic of Mozambique—

[(A) is making a concerted and significant effort to comply with internationally recognized human rights;

[(B) is making continued progress in implementing essential economic and political reforms, including the restoration of private property and respect for the right to engage in free enterprise in all sectors of the economy;

[(C) has implemented a plan by September 30, 1986, to reduce the number of foreign military personnel to no more than 55; and

[(D)(i) in the case of a certification with respect to assistance for fiscal year 1986, is committed to holding free elections at a date no later than September 30, 1986, and to that end has demonstrated its good faith efforts to begin discussions with all major political factions in Mozambique which have declared their willingness to find and implement an equitable political solution to the conflict, with such solution to involve a commitment to—

[(I) the electoral process with internationally recognized observers; and

[(II) the elimination of all restrictions on the formation and activities of opposition political parties; and

[(ii) in the case of a certification with respect to assistance for fiscal year 1987, held free elections by September 30, 1986.

[TITLE IX—ASIA

[SEC. 901. THE PHILIPPINES.

[(a) DEMOCRACY IN THE PHILIPPINES.—It is the sense of the Congress that the United States should encourage the revitalization of democracy in the Philippines. To that end, the Congress affirms its intention to grant future aid to the Philippines according to the determination of the Congress that United States security interests are enhanced and sufficient progress is made by the Government of the Philippines in—

[(1) guaranteeing free, fair, and honest elections in 1986 and 1987, or sooner should any such elections occur;

[(2) ensuring the full, fair, and open prosecution of those responsible for the murder of Benigno Aquino, including those involved in the cover-up;

[(3) ensuring freedom of speech and freedom of the press, and unrestricted access to the media on the part of all candidates for public office in the local and provincial elections of 1986 and the Presidential election of 1987;

[(4) establishing the writ of habeas corpus and the termination of the Presidential Detention Action and all other forms of detention without charge or trial;

[(5) releasing all individuals detained or imprisoned for peaceful activities;

[(6) making substantial progress in terminating extrajudicial killings by the Philippine military and security forces and the prosecution of those responsible for such killings in the past;

[(7) implementing structural economic reforms and a strengthening of the private sector, including elimination of corruption and monopolies; and

[(8) enhancing the professional capability of the Philippine armed forces and security forces (including the Philippine Constabulary and the Civilian House Defense Forces).

[(b) PRIMARY PURPOSES OF THE UNITED STATES ASSISTANCE.—The Congress finds and declares that the primary purpose of United States assistance to the Philippines should be to maintain and foster friendly relations between the people of the Philippines and the people of the United States and to encourage the restoration of internal security, both of which goals can be best served by the achievement of an open and stable democracy.

[(c) CONGRESSIONAL OVERSIGHT.—The Congress, in determining future aid levels for the Philippines, will take into account not only our military bases agreement with that country, but also the extent to which the objectives and goals specified in subsections (a) and (b) have been implemented. The Congress may defer assistance for the Philippines under both chapter 2 of part II of the Foreign Assistance Act of 1961 and the Arms Export Control Act if—

[(1) significant progress is not achieved with respect to the objectives and goals specified in subsections (a) and (b), or

[(2) the Congress finds that such assistance is used to violate the internationally recognized human rights of the Filipino people.

[(d) * * * Repealed 1986.

[(e) Nonlethal Assistance.—Assistance provided for the Philippines for fiscal year 1986 under the Arms Export Control Act or under chapter 2, of part II of the Foreign Assistance Act of 1961 shall be nonlethal in character.

[* * * * * * *]

SEC. 904. ASSISTANCE FOR AFGHANISTAN.

[(a) Authorization.—The President may make available funds authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) for the provision of food, medicine, or other humanitarian assistance to the Afghan people, notwithstanding any other provision of law.]

(a) Authorization.—The President may make available funds authorized to be appropriated to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 for the provision of food, medicine, or other humanitarian assistance to the Afghan people, notwithstanding any other provision of law.

(b) Earmarking of Funds.—Each fiscal year, not less than $80,000,000 of the aggregate amount of funds available to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 shall be available only for humanitarian assistance to the Afghan people pursuant to subsection (a) of this section.

* * * * * * *

[SEC. 907. POLITICAL SETTLEMENT IN SRI LANKA.

[(a) Findings.—The Congress finds that—

[(1) the Government and people of Sri Lanka and the Government and people of the United States share a common devotion to independence, democracy, and human rights;

[(2) the United States is concerned over the armed clashes between the security forces of the Government of Sri Lanka and some Sri Lankans who seek through violent means, including terrorist attacks, to divide that nation;

[(3) there have been acts of terrorism committed against members of the Sri Lankan security forces, as well as against civilians, and there have been human rights abuses by members of the security forces against civilians, particularly Tamils, despite the efforts of the Government, which the Congress believes must be intensified, to put an end to those abuses;

[(4) the differences and grievances in Sri Lanka cannot be resolved through the use of force; and

[(5) the United States is a proud participant through its economic assistance programs in Sri Lanka's highly regarded development efforts and looks forward to enhanced cooperation and assistance in the context of a political settlement in Sri Lanka leading to the kind of peaceful climate in which additional aid could be effectively utilized.

[(b) Political Settlement.—It is, therefore, the sense of the Congress that—

[(1) all parties in Sri Lanka, from all communities in and out of government, should renew their efforts to achieve a joint political settlement which meets the legitimate concerns of all the people of Sri Lanka, while preserving the territorial integrity of Sri Lanka; and

[(2) all parties outside Sri Lanka should do nothing which would impede progress toward such a settlement.

[SEC. 908. UNITED STATES POLICY TOWARD THE REPUBLIC OF KOREA.

[(a) FINDINGS.—The Congress finds that—

[(1) the Government of the Republic of Korea has taken several significant and encouraging steps in liberalizing the political system in that country;

[(2) among the steps which have facilitated a more democratic environment are the release of hundreds of student demonstrators, the lifting of a political ban on more than 300 opposition leaders, and the holding of a vigorously contested election for the National Assembly in which the opposition made substantial gains;

[(3) despite these steps, the people of the Republic of Korea, who have become increasingly better educated and prosperous as a result of Korea's extraordinarily rapid economic development, have the desire and the capability to participate more fully and effectively in the government of their own country; and

[(4) while internationally recognized human rights are clearly respected much more in the Republic of Korea than in the Democratic People's Republic of Korea, continued progress toward democratization in the south is in the interests of both the Republic of Korea and the United States, inasmuch as long-term political stability cannot be assured in the absence of further progress towards democratic government.

[(b) UNITED STATES POLICY.—It is the policy of the United States to provide assistance to the Republic of Korea in order to help that country defend itself against external aggression. It is the hope of the United States that the continuing close relations between our two countries, including such assistance, will encourage the establishment of a genuinely democratic system in the Republic of Korea, in which internationally recognized human rights, including freedom of the press, freedom of association, and freedom of assembly are observed.

[TITLE X—FOOD AND AGRICULTURAL ASSISTANCE

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[SEC. 1008. LONG-TERM AGRICULTURAL COMMODITY AGREEMENTS WITH FOOD DEFICIT COUNTRIES.

[As part of the United States foreign assistance program, the President should explore the possibility of concluding long-term agricultural commodity agreements to help stabilize and increase the flow of concessional and commercial foodstuffs with food deficit countries. The President shall prepare and transmit to the Congress a report on his efforts to achieve such long-term agreements by June 1, 1986.

[TITLE XI—PEACE CORPS

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[SEC. 1103. LIMITATION ON LENGTH OF PEACE CORPS EMPLOYMENT.

[(a) * * *

[(b) * * *

[SEC. 1104. PEACE CORPS NATIONAL ADVISORY COUNCIL.

[(a) * * *

[(b) * * *

[* * * * * * *]

TITLE XII—MISCELLANEOUS PROVISIONS RELATING TO FOREIGN ASSISTANCE

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[SEC. 1206. EGYPTIAN-ISRAELI RELATIONS.

[The Congress notes the recent effort of Egypt to move the peace process forward. However, the Congress continues to be concerned about the less than normal relations beween Egypt and Israel. It is the sense of the Congress that all United States Foreign assistance to Egypt is provided in the expectation that the Egyptian Government will continue in its efforts to bring peace to the region and it will continue to support and fulfill the provisions of the Camp David Accords and the Egyptian-Israeli Peace Treaty.

[* * * * * * *

[SEC. 1210. REPORT ON UNITED STATES ASSISTANCE TO COAL EXPORTING NATIONS.

[Not later then 30 days after the date of enactment of this Act, the President shall submit to the appropriate committees of the Congress a report describing the status and terms of, and containing all other pertinent information relating to, any United States Government assistance which is provided to foreign nations that produce or export coal for the purpose of financing or assisting in the development of coal production, transportation, export, or other coal-related activities or operations.

[* * * * * * *]

TITLE XIII—MISCELLANEOUS PROVISIONS

[SEC. 1301. EFFECTIVE DATE.

[Except as otherwise provided in this Act, this Act shall take effect on October 1, 1985.]

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[SEC. 1304. FEDERAL COAL EXPORT COMMISSION.

[(a) ESTABLISHMENT.—The Secretary of Commerce shall establish, within ninety days after the date of enactment of this Act, a Federal Coal Export Commission (hereafter in thi sectin referred to as the "Commission").

[(b) MEMBERSHIP.—The Commission shall be composed of thirty members appointed by the Secretary of Commerce, as follows:

[(1) FEDERAL GOVERNMENT REPRESENTATIVES.—Ten members shall be representatives of the International Trade Administration, the Department of Energy, the Department of State, the Department of Transportation, the Office of the United States

Trade Representative, and a Federal institution involved in export financing.

[(2) Private sector representatives.—

[(A) Five members shall be representatives of export coal producers, including traders and brokers.

[(B) Five members shall be representatives of coal labor.

[(C) Five members shall be representatives of transportators of export coal, including representatives of rail and barge carriers and port authorities.

[(D) Five members shall be representatives of institutions having a substantial interest in United States export coal financing.

[(c) Expenses.—Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission; members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5073 of title 5 of the United States Code.

[(d) Cooperation.—All Federal departments and agencies are authorized to cooperate with the Commission and to furnish information, appropriate personnel, and such assistance as may be agreed upon by the Commission and the federal department or agency involved.

[(e) Activities.—The Commission shall convene not less than four times a year for consultation on activities leading to increased cooperation among entities involved in United States coal exports, with the goal of expanding the United States of the international coal market. Activities of the Commission shall include, but are not limited to, the identification of—

[(1) diplomatic channels to facilitate the exportation of United States coal and methods to increase the coordination of diplomatic efforts relating to such exports;

[(2) domestic and international impediments to coal exports;

[(3) foreign markets for United States export coal, with emphasis on increasing United States coal sales to developing nations and expanding the participation of the United States International Development Cooperation Agency in such an effort;

[(4) availability of, and methods of, financing United States coal exports, including the feasibility of increasing Federal export financial and economic assistance; and

[(5) methods to promote, market, and coordinate United States coal on the international market.

[The Commission shall also examine the potential for small- and medium-sized coal companies to enter the export coal trade through export trading companies with respect to the marketing, transportation, and financial services which such trading companies may provide pursuant to the Export Trading Company Act of 1982.

[(f) Report.—The Commission shall submit to the President and the Congress, within two years after its first meeting, a report which details its findings pursuant to subsection (e), and, based upon such findings, make recommendations which would lead to the expansion of the United States share of the international metallurgical and steam coal market.

[(g) TERMINATION.—The Commission shall cease to exist upon submission of its report pursuant to subsection (f).]

International Security and Development Cooperation Act of 1981

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REPEAL OF LIMITATIONS ON ASSISTANCE, SALES, AND SALES CREDITS FOR CHILE

Sec. 726. (a) * * *

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(c) The prohibition contained in subsection (b) does not prohibit the sale, or the licensing for export, of cartridge actuated devices, propellant actuated devices, [and technical manuals for aircraft of the F-5E/F or A/T-37 type which were sold to the Chilean Air Force by the United States before January 1, 1976]*components, parts, tools, technical manuals, technical changes to technical orders (TCTOs), or TCTO retrofits for aircraft of the F-5E/F, A/T-37, or C-130E/H type owned by the Chilean Air Force,* so long as the items are provided only for purposes of enhancing the safety of the aircraft crew.

* * * * * * *

[Jordan Supplemental Economic Assistance Authorization Act of 1985

[Partial text of Public Law 99-88 [Supplemental Appropriations Act, 1985, H.R. 2577], 99 Stat. 376, approved August 15, 1985

[AN ACT Making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

[* * * * * * *

[TITLE IV—AUTHORIZATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR JORDAN

[SHORT TITLE

[SEC. 401. This title may be cited as the "Jordan Supplemental Economic Assistance Authorization Act of 1985".

[ECONOMIC SUPPORT FUND

[SEC. 402. (a)(1) In addition to funds otherwise available for such purposes for such fiscal year, there are authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $250,000,000 for the fiscal year 1985, which amount shall be available only for Jordan.

[(2) Of the funds authorized to be appropriated by paragraph (1)—

[(A) for the fiscal year 1985, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance;

[(B) for the fiscal year 1986, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance; and

[(C) for the fiscal year 1987, $60,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance.

[(b) Amounts appropriated to carry out this section are authorized to remain available until September 30, 1987.

[POLICY

[Sec. 403. (a) Sense of Congress.—It is the sense of Congress that no foreign military sales financing authorized by this Act may be used to finance the procurement by Jordan of United States advanced aircraft, new air defense weapons systems, or other new advanced military weapons systems, and no notification may be made pursuant to section 36(b) of the Arms export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems, or other new advanced military weapons systems, unless Jordan is publicly committed to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

[(b) Certification.—Any notification made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems or other new advanced military weapons, must be accompanied by a Presidential certification of Jordan's public commitment to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.]

[African Famine Relief and Recovery Act of 1985

[Partial text of Public Law 99-8 [S. 689], 99 Stat. 21, approved April 2, 1985

[AN ACT To authorize appropriations for famine relief and recovery in Africa.

[*Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled,*

[SECTION 1. SHORT TITLE.

[This Act may be cited as the "African Famine Relief and Recovery Act of 1985".

[SEC. 2 * * *

[SEC. 3. MIGRATION AND REFUGEE ASSISTANCE.

[(a) Authorization of Appropriations.—In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the Department of State for "Migration and Refugee Assistance" for the fiscal year 1985, $37,500,000 for assisting refugees and displaced persons in Africa.

[(b) Use of Funds.—

[(1) Projects for immediate development needs.—Up to 54 percent of the funds authorized to be appropriated by this section may be made available to the United Nations Office of Emergency Operations in Africa for projects such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II) to address the immediate development needs created by refugees and displaced persons in Africa.

[(2) Emergency relief and recovery efforts.—The remaining funds authorized to be appropriated by this section shall be used by the Bureau for Refugee Programs of the Department of State for emergency relief and recovery efforts in Africa.

[SEC. 4. DEPARTMENT OF DEFENSE ASSISTANCE.

[(a) Special Rule on Reimbursement.—If the Department of Defense furnishes goods or services for African supplemental famine assistance activities, the Department of Defense shall be reimbursed for not more than the costs which it incurs in providing those goods or services. These costs do not include military pay and allowances, amortization and depreciation, and fixed facility costs.

[(b) Definition of African Supplemental Famine Assistance Activities.—For purposes of this section, the term "African supplemental famine assistance activities" means the provision of the following fiscal year 1985 supplemental assistance for Africa:

[(1) Famine assistance pursuant to section 2 of this Act.

[(2) Migration and refugee assistance pursuant to section 3 of this Act.

[(3) Assistance pursuant to supplemental appropriations for title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721-1726).

[(4) Assistance with funds appropriated during fiscal year 1985 for the Emergency Refugee and Migration Assistance Fund (22 U.S.C. 2601(c)).

[SEC. 5. GENERAL PROVISIONS RELATING TO ASSISTANCE.

[(a) Countries To Be Assisted.—Amounts authorized to be appropriated by this act shall be available only for assistance in those countries in Africa which have suffered during calendar years 1984 and 1985 from exceptional food supply problems due to drought and other calamities.

[(b) "Hickenlooper Amendment".—Assistance may be provided with funds authorized to be appropriated by this Act without regard to section 620(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(e)(1)).

[(c) Ensuring That Assistance Reaches Intended Recipients.—The President shall ensure that adequate procedures have been established so that assistance pursuant to this Act is provided to the famine victims for whom it is intended.

[SEC. 6. REPORTS ON AFRICAN FAMINE ASSISTANCE.

[(a) REPORT ON UNITED STATES CONTRIBUTION TO MEET EMERGENCY NEEDS.—

[(1) REQUIREMENT FOR REPORT.—Not later than June 30, 1985, the President shall report to the Congress with respect to the United States contribution to meet emergency needs, including food needs, for African famine assistance.

[(2) INFORMATION TO BE INCLUDED IN REPORT.—The report required by this subsection shall describe—

[(A) the emergency needs, including food needs, for African famine assistance that are identified by the President's Interagency Task Force on the African Food Emergency, private and voluntary organizations active in famine relief, the United Nations Office for Emergency Operations in Africa, the United Nations Food and Agriculture Organization, the World Food Program, and such other organizations as the President considers appropriate; and

[(B) the projected fiscal year 1985 contribution by the United States Government to meet an appropriate share of those needs referred to in subparagraph (A).

[(b) REPORT ON ASSISTANCE PROVIDED PURSUANT TO THIS ACT.—

[(1) REQUIREMENT FOR REPORT.—Not later than September 30, 1985, the President shall report to the Congress on the assistance provided pursuant to this Act.

[(2) INFORMATION TO BE INCLUDED IN REPORT.—

[(A) USE OF FUNDS.—The report pursuant to this subsection shall describe the uses, by the Agency for International Development and by the Department of State, of the funds authorized to be appropriated by this Act, including—

[(i) a description of each project or program supported with any of those funds, and the amount allocated to it;

[(ii) the identity of each private and voluntary organization or international organization receiving any of those funds, and the amount of funds each received;

[(iii) the amount of those funds used for assistance to each country;

[(iv) the amount of those funds, if any, which will not have been obligated as of September 30, 1985; and

[(v) A list of any projects or programs supported with those funds which are not expected to be completed as of December 31, 1985.]

[International Security and Development Assistance Authorization Act of 1983

[Partial text of Public Law 98-151 [H.J. Res. 413], 97 Stat. at 964, approved November 14, 1983

[A JOINT RESOLUTION Making further continuing appropriations for the fiscal year 1984.

[*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1984, and for other purposes, namely:

[SEC. 101. (a) * * *

[(b)(1) * * *

[(2) Section 101(b)(2) of this joint resolution may be cited as the "International Security and Development Assistance Authorizations Act of 1983".

[AUTHORIZATIONS OF APPROPRIATIONS

[There is authorized to be appropriated to the President $1,315,000,000 for the fiscal year 1984 to carry out section 23 of the Arms Export Control Act. The total principal amount of loans guaranteed under section 24(a) of the Arms Export Control Act shall not exceed $4,446,500,000 for the fiscal year 1984.

[There are authorized to be appropriated for the fiscal year 1984 the following amounts to carry out the following provisions of the Foreign Assistance Act of 1961:

[(1) $725,213,000 to carry out section 103.
[(2) $244,600,000 to carry out section 104(b).
[(3) $133,400,000 to carry out section 104(c).
[(4) $121,477,000 to carry out section 105.
[(5) $160,000,000 to carry out section 106.
[(6) $103,000,000 to carry out section 121.
[(7) $30,000,000 to carry out section 214.
[(8) $266,214,000 to carry out chapter 3 of part I.
[(9) $47,000,000 to carry out section 481.
[(10) $25,000,000 to carry out section 491.
[(11) $3,074,000,000 to carry out chapter 4 of part II.
[(12) $639,700,000 to carry out section 503.
[(13) $56,452,000 to carry out chapter 5 of part II.
[(14) $46,200,000 to carry out chapter 6 of part II.
[(15) $22,000,000 to carry out section 661.
[(16) $370,000,000 to carry out section 667.

[There is authorized to be appropriated to the President to carry out the African Development Foundation Act $3,000,000 for the fiscal year 1984.

[There is authorized to be appropriated to carry out the Peace Corps Act $116,000,000 of the fiscal year 1984.

[Section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956 shall not apply with respect to funds appropriated for "Migration and Refugee Assistance" or for the Inter-American Foundation by the joint resolution of October 1, 1983 (Public Law 98-107), as amended by this joint resolution.

[ASSISTANCE FOR ISRAEL AND EGYPT

[* * * * * * *

[CONDITIONS ON MILITARY ASSISTANCE FOR EL SALVADOR

[Not more than 70 percent of the amount available for the fiscal year 1984 for military assistance for El Salvador under chapters 2 and 5 of part II of the Foreign Assistance Act of 1961 and under the Arms Export Control Act may be expended until—

[(1) Salvadoran authorities have substantially concluded all investigative actions in the case of the National Guardsmen charged with murder in the deaths of the four United States churchwomen in December 1980 that were set forth in communications from the Department of State (including the letters dated July 8 and September 23, 1983); and

[(2) Salvadoran authorities have brought the accused to trial and have obtained a verdict.

[Not more than 90 percent of the amount made available for the fiscal year 1984 for military assistance for El Salvador under chapters 2 and 5 of part II of the Foreign Assistance Act of 1961 and under the Arms Export Control Act may be expended until the President has determined and certified to the Congress that—

[(1) the Government of El Salvador has not taken any action which would alter, suspend, or terminate the land reform program for phase I or phase III promulgated under Decree 154 (dated March 5, 1980) or Decree 207 (dated April 28, 1980) in a manner detrimental to the rights of the beneficiaries or the potential beneficiaries under those decrees; and

[(2) the Government of El Salvador continues to make documented progress on implementing the land reform program.

[MINORITY SET-ASIDE

[Except to the extent that the Administrator of the Agency for International Development determines otherwise, not less than 10 percent of the aggregate of the funds made available for the fiscal year 1984 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be made available only for activities of economically and socially disadvantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977), historically Black colleges and universities, and private and voluntary organizations which are controlled by individuals who are Black Americans, Hispanic Americans, or Native Americans, or who are economically and socially disadvantaged (within the meaning of section 133(c)(5) (B) and (C) of the International Development and Food Assistance Act of 1977). For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.

[MINORITY RESOURCE CENTER

[None of the funds authorized to be appropriated for the fiscal year 1984 to carry out the Foreign Assistance Act of 1961 may be used to eliminate the Minority Resource Center as a separate and distinct entity within the Agency for International Development, including implementation of a consolidation of the Minority Resource Center with the Office of Small and Disadvantaged Business Utilization under section 133(c)(8) of the International Development and Food Assistance Act of 1977.

[PROMOTING THE DEVELOPMENT OF THE HAITIAN PEOPLE AND PROVIDING FOR ORDERLY EMIGRATION FROM HAITI

[It is the sense of the Congress that for the fiscal year 1984 up to $24,000,000 of the funds available to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, and up to $10,000,000 of the funds available to carry out chapter 4 of part II of such Act, should be made available for development assistance for Haiti, subject to the limitation contained in the third paragraph of this heading.

[To the maximum extent practicable, assistance for Haiti under chapter 1 of part I and under chapter 4 of part II of the Foreign Assistance Act of 1961 should be provided through private and voluntary organizations.

[Funds available for fiscal year 1984 to carry out chapter 1 of part I or chapter 2, 4, or 5 of part II of the Foreign Assistance Act of 1961 may be obligated for Haiti, and credits may be extended and guarantees may be issued under the Arms Export Control Act for Haiti, only if the President determines that the Government of Haiti—

[(1) is continuing to cooperate with the United States in halting illegal emigration to the United States from Haiti;

[(2) is cooperating fully in implementing United States development, food, and other economic assistance programs in Haiti (including programs for prior fiscal years); and

[(3) is making a concerted and significant effort to improve the human rights situation in Haiti by implementing the political reforms which are essential to the development of democracy in Haiti, including the establishment of political parties, free elections, and freedom of the press.

[Six months after the date or enactment of this section, the President shall report to the Congress on the extent to which the actions of the Government of Haiti are consistent with each numbered provision contained in the third paragraph of this heading.

[Notwithstanding the limitations of section 660 of the Foreign Assistance Act of 1961, funds made available under such Act for the fiscal year 1984 may be used for programs with Haiti, which shall be consistent with prevailing United States refugee policies, to assist in halting significant illegal emigration from Haiti to the United States.

[PRIVATE SECTOR REVOLVING FUND

[The amendment contained in section 407 of H.R. 2992, as reported by the Committee on Foreign Affairs of the House of Representatives on May 17, 1983, is hereby enacted.

[ANTITERRORISM ASSISTANCE PROGRAM

[The amendments contained in title II of H.R. 2992, as reported by the Committee on Foreign Affairs of the House of Representatives on May 17, 1983, are hereby enacted, except that, for purposes of such enactment, section 575 of the Foreign Assistance Act of 1961 shall read as follows:

["Sec. 575. Appropriations.—There is authorized to be appropriated to the President to carry out this chapter $5,000,000 for the fiscal year 1984. Amounts appropriated under this section are authorized to remain available until expended."

* * * * * * *]

[Lebanon Emergency Assistance Act of 1983

[Public Law 98-43 [S. 639], 97 Stat. 214, approved June 27, 1983

[AN ACT To authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

[SHORT TITLE

[Section 1. This Act may be cited as the "Lebanon Emergency Assistance Act of 1983".

[ECONOMIC SUPPORT FUND

[Sec. 2. (a) It is hereby determined that the national interests of the United States would be served by the authorization and appropriation of additional funds for economic assistance for Lebanon in order to promote the economic and political stability of that country and to support the international effort to strengthen a sovereign and independent Lebanon.

[(b) Accordingly, in addition to amounts otherwise authorized to be appropriated for the fiscal year 1983 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $150,000,000 to carry out such provisions with respect to Lebanon.

[(c) Amounts authorized by this section may be appropriated in an appropriation Act for any fiscal year (including a continuing resolution) and shall continue to be available beyond the fiscal year notwithstanding any provision of that appropriation Act to the contrary.

[MILITARY SALES AND RELATED PROGRAMS

[Sec. 3. (a) In order to support the rebuilding of the armed forces of Lebanon, the Congress finds that the national security interests of the United States would be served by the authorization and appropriation of additional funds to provide training for the Lebanese armed forces and by the authorization of additional foreign military sales guaranties to finance procurements by Lebanon of defense articles and defense services for its security requirements.

[(b) In addition to amounts otherwise made available for the fiscal year 1983 to carry out the provisions of chapter 5 of part II of the Foreign Assistance Act of 1961, there are authroized to be appropriated for the fiscal year 1983 $1,00,000 to carry out such provisions with respect to Lebanon.

[(c) In addition to amounts otherwise made available for the fiscal year 1983 for loan guaranties under section 24(a) of the Arms Export Control Act, $100,000,000 of loan principal are authorized to be so guaranteed during such fiscal year for Lebanon.

[UNITED STATES ARMED FORCES IN LEBANON

[SEC. 4. (a) The President shall obtain statutory authorization from the Congress with respect to any substantial expansion in the number or role in Lebanon of United States Armed Forces, including any introduction of United States Armed Forces into Lebanon in conjunction with agreements providing for the withdrawal of all foreign troops from Lebanon and for the creation of a new multinational peace-keeping force in Lebanon.

[(b) Nothing in this section is intended to modify, limit, or suspend any of the standards and procedures prescribed by the War Powers Resolution of 1973.]

International Security and Development Cooperation Act of 1981

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[TITLE I—MILITARY SALES AND RELATED PROGRAMS

[* * * * * * *

[SPECIAL DEFENSE ACQUISITION FUND

[SEC. 108. (a) * * *

[(b) Section 138 of title 10, United States Code, is amended by adding immediately following subsection (f) the following new subsection:

["(g) The size of the Special Defense Acquisition Fund established pursuant to chapter 5 of the Arms Export Control Act may not exceed $300,000,000 in fiscal year 1982, may not exceed $600,000,000 in fiscal year 1983, and may not exceed $900,000,000 in fiscal year 1984 or any fiscal year thereafter.".

[* * * * * * *

[TITLE II—ECONOMIC SUPPORT FUND

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[ACQUISITION OF AGRICULTURAL COMMODITIES AND RELATED PRODUCTS UNDER COMMODITY IMPORT PROGRAMS

[SEC. 203. The Congress directs the President to allocate at least 15 percent of the funds which are made available each fiscal year under this title for commodity import programs for use in financing the purchase of agricultural commodities and agricultural related products which are of United States-orign.

[TITLE III—DEVELOPMENT ASSISTANCE

[AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

[SEC. 301. (a) * * *

[(b)(1) It is the sense of the Congress that the United States should strongly support the efforts of developing countries to improve infant feeding practices, in particular through the promotion of breast feeding. As a demonstration of that support, the President is authorized to use up to $5,000,000 of the funds made available for the fiscal year 1982 to carry out the purposes of sections 103 and 104(c) of the Foreign Assistance Act of 1961 in order to assist developing countries establish or improve programs to encourage improved infant feeding practices. In carrying out this paragraph, the Agency for International Development should provide funds for necessary research to obtain better information on the precise nature and magnitude of problems relating to infant feeding practices, including the use of infant formula, in developing countries.

[(2) The President shall, as part of the congressional presentation documentation for the fiscal years 1983 and 1984, include information relevant to the implementation of this subsection, including—

[(A) a description of actions taken by the Agency for International Development to promote breast feeding and to improve supplemental infant feeding practices in developing countries through funds made available in this subsection and through its regular programs in the fields of health, nutrition, and population activities;

[(B) a summary of the results of studies authorized by this subsection on the nature and magnitude of problems in developing countries related to infant feeding practices; and

[(C) a summary of reports by member countries of the World Health Organization on their actions to implement the International Code of Marketing of Breast Milk Substitutes.

[* * * * * * *

[TITLE IV—FOOD FOR PEACE PROGRAMS

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[SELF-HELP MEASURES TO INCREASE AGRICULTURAL PRODUCTION; VERIFICATION OF SELF-HELP PROVISIONS

[SEC. 403. (a) * * *

[(b) * * *

[(c) The amendments made by this section shall not be effective if the Agriculture and Food Act of 1981 is enacted (either before or after the enactment of this Act) and contains the same amendments.

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[TITLE V—OTHER ASSISTANCE PROGRAMS

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[INTERNATIONAL NARCOTICS CONTROL

[SEC. 502. (a)(1) * * *

[(2) Assistance provided from funds appropriated, before the enactment of this Act, to carry out seciton 481 of the Foreign Assistance Act of 1961 may be made available for purposes prohibited by subsection (d) of such section as in effect immediately before the enactment of this subsection.

[(3) Funds appropriated for the fiscal year 1980 to carry out section 481 of the Foreign Assistance Act of 1961 which were obligated for assistance for the Republic of Colombia may be used for purposes other than those set forth in section 482(a)(2) of that Act as in effect immediately before the enactment of the International Security and Development Cooperation Act of 1980.

[(4) Paragraphs (2) and (3) of this subsection shall apply only to the extent provided in advance in an appropriations Act. For such purpose, the funds described in those paragraphs are authorized to be made available for the purposes specified in those paragraphs.

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[TITLE VI—PEACE CORPS

[ESTABLISHMENT AS AN INDEPENDENT AGENCY

[SEC. 601. (a) * * *

[(b) * * *

[* * * * * * *

[RESTORATION OF CERTAIN AUTHORITIES FORMERLY CONTAINED IN THE FOREIGN SERVICE ACT

[SEC. 604. (a) * * *

[(b) * * *

[(c) * * *

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[TITLE VII—MISCELLANEOUS PROVISIONS

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[INSPECTOR GENERAL

[SEC. 705. * * *

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[EMERGENCY HUMANITARIAN HELP FOR THE PEOPLE OF POLAND

[SEC. 708. (a) The people of Poland, with whom the people of the United States have a longstanding friendship, now face serious domestic food shortages which will be worsened by large-scale loss of their livestock this winter if feed supplies do not arrive quickly. Therefore, the President is urged, for urgent humanitarian reasons, to use existing authorities promptly in order to provide to the people of Poland, under as favorable terms as possible, feed grains from Commodity Credit Corporation stocks or other appropriate commodities.

[(b) For the longer term, the President is encouraged to pursue discussions with other Western countries about a multilateral effort to help the people of Poland achieve self-sustaining economic recovery in the years ahead.

[(c) * * *]

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[FINDINGS REGARDING GLOBAL SECURITY

[SEC. 710. (a) The Congress finds that the security of the United States and other countries is increasingly affected by a broad range of global problems including shortages or potential shortages of food, oil, water, wood, and other basic mineral and natural resources; desperate poverty; sickness; population pressures; environmental deterioration, including soil erosion and water pollution; and large-scale and destablishing refugee problems.

[(b) The Congress finds that hunger, disease, and extreme poverty are among the most critical of these global problems. As ever greater numbers of people perceive the disparity between their own continuing deprivation and the prosperity of others, and judge their predicament to be neither just nor inevitable, it becomes increasingly likely that there will be unrest and violence with consequent disruption of the flow of essential materials, adverse effects on the world economy, decreased likelihood of cooperative efforts toward meeting the other critical problems threatening national and global security, and increased likelihood of confrontration between nations which possess nuclear arms.

[(c) Therefore, the Congress finds that the Nation's understanding of global and national security must be broad enough to include the problems cited in this section, and that adequate protection of the security of the United States requires effective action on these global problems, and in particular on the problems of hunger, disease, and extreme poverty.

[WORLD FOOD SECURITY RESERVES

[SEC. 711. (a) The Congress finds that—

[(1) the Congress recently passed and the President signed into law an Act which provides for establishment of a United States food security reserve of up to four million metric tons of wheat to be used for emergency food assistance;

[(2) the food import needs of developing countries will increase over the next ten years; and

[(3) other grain exporting countries could take additional steps to assure continuity of food assistance during food crisis years.

[(b) The President shall encourage other grain exporting countries to establish their own food security reserves or take other measures that complement the United States food security reserve.

[(c) The President shall report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate within one year after the enactment of this Act on the actions he has taken and the response of other countries to these proposals.

[FINDINGS AND DECLARATION OF POLICY REGARDING WORLD HUNGER

[SEC. 712. The Congress, affirming the value of human life, finds and declares that the elimination of hunger and its causes is of fundamental moral significance and, further, that it is in the political, economic, and security interests of the United States. Therefore, the Congress declares that the elimination of hunger and its causes shall be a primary objective of United States relations with the developing countries.

[REAFFIRMATION OF SUPPORT FOR HUMAN RIGHTS PROVISIONS

[SEC. 713. (a) The Congress reaffirms its support for the various statutory provisions which have been enacted in order to promote internationally recognized human rights.

[(b) It is the sense of the Congress that a strong commitment to the defense of human rights should continue to be a central feature of United States foreign policy.]

* * * * * * *

[LEBANON

[SEC. 715. It is the sense of the Congress that the Government of the United States should continue to support diplomatic efforts to resolve the curent crisis in Lebanon, and to pursue a comprehensive and coordinated policy in Lebanon guided by the following principles:

[(1) maintenance of an effective cease-fire throughout Lebanon;

[(2) resolution of the issue of the Syrian missiles deployed in Lebanon;

[(3) freedom, security, and opportunity for the Christian and all other Lebanese communities, including the Moslem, Druze, Armenian, and Jewish communities in Lebanon;

[(4) reaffirmation of the historic United States-Lebanon relationship and strengthening the longstanding commitment of the United States to the independence, sovereignty, and territorial integrity of Lebanon, without partition, free from terrorism and violence, and free to determine its future without Soviet or other outside interference;

[(5) generous international support for relief, rehabilitation, and humanitarian assistance for Lebanon, particularly for those Lebanese citizens who have suffered from the terrorism and violence of recent events;

[(6) restoration of Lebanon's sovereignty free from outside domination or occupation; and

[(7) support for a free and open national election.

[USE OF CHEMICAL AND TOXIN WEAPONS

[SEC. 716. (a) The Congress condemns the use of, and the provision for use of, chemical agents and toxin weapons against the peoples of Laos, Kampuchea, or Afghanistan.

[(b) It is the sense of the Congress that the President should, acting through the Permanent Representative of the United States to the United Nations and all other appropriate diplomatic agents, seek definite measures to bring to an end actions by any party or government in using, and providing for use, chemical agents or toxin weapons against the peoples of Laos, Kampuchea, and Afghanistan, in violation of the spirit and the provisions of—

[(1) The Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (done at Washington, London, and Moscow on April 10, 1972);

[(2) the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare (signed at Geneva on June 17, 1925); and

[(3) customary international law.

[(c) It is further the sense of Congress that the President should—

[(1) allocate the highest possible priority to the development of further evidence clarifying the nature and origins of the chemical agents and toxin weapons being used against the peoples of Laos, Kampuchea, and Afghanistan; and

[(2) vigorously seek a satisfactory explanation from the Government of the Soviet Union regarding the strong circumstantial and presumptive evidence of its role in the use, or provision for use, of such weapons.

[(d) The Congress reiterates the concern expressed in House Resolution 644 (96th Congress), adopted by the House of Representatives on May 19, 1980, regarding the outbreak of pulmonary anthrax near Sverdlosk on April 3, 1979, and expresses its disappointment that the Soviet Union has failed adequately to respond to requests for data explaining this incident as provided in the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction.

[(e) It is further the sense of Congress that the negotiation of a treaty prohibiting the development, production, and stockpiling of chemical weapons, with reliable verification provisions, should be given a high priority by the United States Government and by all foreign governments.

[FINANCIAL OBLIGATIONS OF THE SOVIET UNION TO THE UNITED NATIONS

[SEC. 717. (a) The Congress finds and declares that—

[(1) the financing of the United Nations is the collective responsibility of all member nations;

[(2) the International Court of Justice has determined that the expenses of the United Nations incurred in its peacekeeping operations are properly included as a part of the regular expenses of the United Nations;

[(3) peacekeeping operations are vital to the mission of the United Nations and must be adequately financed if such operations are to continue; and

[(4) the Government of the Union of Soviet Socialist Republics is currently $180,000,000 in arrears on its payments to the United Nations, primarily as a result of its refusal to pay for the peacekeeping operations of the United Nations.

[(b) It is the sense of the Congress that the President, acting through the Permanent Representative of the United States to the United Nations, should undertake a diplomatic initiative to obtain payment by the Government of the Union of Soviet Socialist Republics of all its outstanding financial obligations to the United Nations, including its assessments with respect to the peacekeeping operations of the United Nations.

[CONDEMNATION OF LIBYA FOR ITS SUPPORT OF INTERNATIONAL TERRORIST MOVEMENTS

[SEC. 718. (a) The Congress condemns the Libyan Government for its support of international terrorist movements, its efforts to obstruct positive movement toward the peaceful resolution of problems in the Middle East region, and its actions to destabilize and control governments of neighboring states in Africa.

[(b) The Congress believes that the President should conduct an immediate review of concrete steps the United States could take, individually and in concert with its allies, to bring economic and political pressure on Libya to cease such activities, and should submit a report on that review to the Congress within one hundred and eighty days after the date of enactment of this Act. Such a review should include the possibility of tariffs on or prohibitions against the import of crude oil from Libya.

[UNITED STATES CITIZENS ACTING IN THE SERVICE OF INTERNATIONAL TERRORISM

[SEC. 719. (a) It is the sense of the Congress that the spread of international terrorism poses a grave and growing danger for world peace and for the national security of the United States. As a part of its vigorous opposition to the activities of international terrorist leaders and the increase of international terrorism, the United States should take all steps necessary to ensure that no United States citizen is acting in the service of terrorism or of the proponents of terrorism.

[(b) Not later than six months after the enactment of this Act, the President shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report which includes—

[(1) a description of all legislation, currently in force, and of all administrative remedies, presently available, which can be employed to prevent the involvement, service, or participation by United States citizens in activities in support of international terrorism or terrorist leaders;

[(2) an assessment of the adequacy of such legislation and remedies, and of the enforcement resources available to carry out such measures, to prevent the involvement, service, or participation by United States citizens in activities in support of international terrorism or terrorist leaders; and

[(3) a description of available legislative and administrative alternatives, together with an assessment of their potential impact and effectiveness, which could be enacted or employed to put an end to the participation of United States citizens in activities in support of international terrorism or terrorist leaders.

[NONALIGNED COUNTRIES

[SEC. 720. (a) In considering whether to provide assistance, make sales, extend credits, or guarantee loans under the provisions of the Foreign Assistance Act of 1961, as amended, or the Arms Export Control Act, to any country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Session of the General Assembly of the United Nations on September 25 and 28, 1981, the President shall take into account whether such country has dissociated itself from the communique issued following the meeting.

[(b) Within thirty days after the date of enactment of this section, the President shall submit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the countries which have dissociated themselves from the nonaligned countries communique and on their methods of dissociation.

[PROMOTING THE DEVELOPMENT OF THE HAITIAN PEOPLE AND PROVIDING FOR ORDERLY EMIGRATION FROM HAITI

[SEC. 721. (a)(1) It is the sense of the Congress that up to $15,000,000 of the funds available for the fiscal year 1982 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 should be made available for development assistance for Haiti, subject to the limitation in subsection (b) of this section.

[(2) To the maximum extent practicable, assistance for Haiti for the fiscal year 1982 under chapter 1 of part I of the Foreign Assistance Act of 1961 should be provided through private and voluntary organizations.

[(b) Funds available for the fiscal year 1982 to carry out chapter 1 of part I or chapter 2 or chapter 5 of part II of the Foreign Assistance Act of 1961 may be expended for Haiti, and credits and guarantees extended for the fiscal year 1982 under the Arms Export Control Act may be approved for use for Haiti, only if the President determines that the Government of Haiti—

[(1) is cooperating with the United States in halting illegal emigration from Haiti:

[(2) is not aiding, abetting or otherwise supporting illegal emigration from Haiti;

[(3) has provided assurances that it will cooperate fully in implementing United States development assistance programs in Haiti (including programs for prior fiscal year); and

[(4) is not engaged in a consistent pattern of gross violations of internationally recognized human rights.

[(c) Six months after the date of enactment of this Act, the President shall prepare and transmit to the Congress a report on the extent to which the actions of the Government of Haiti are consistent with paragraphs (1), (2), (3), and (4) of subsection (b) of this section.

[(d) Notwithstanding the limitations of section 660 of the Foreign Assistance Act of 1961, funds made available under such Act for the fiscal year 1982 and for the fiscal year 1983 may be used for programs with Haiti to assist in halting significant illegal emigration from Haiti to the United States.

[COMPREHENSIVE ANALYSIS OF FOREIGN ASSISTANCE

[SEC. 722. (a) It is the sense of Congress that at a time when major retrenchments and reappraisals are being made in domestic programs, it is also logical that, while maintaining past international commitments, the magnitude and direction of future foreign assistance programs should also be reviewed. As part of such a review process, the President is requested to provide a comprehensive report to the Congress on his approach to foreign assistance. Such report shall include an analysis and recommendations on the following issues:

[(1) the relationship between foreign assistance and defense expenditures as means of conducting foreign policy;

[(2) the appropriate mix between military and economic assistance;

[(3) the strengths and weaknesses, and appropriate mix, of bilateral and multilateral assistance programs;

[(4) the relevance of the basic human needs approach to current aid policy;

[(5) the performance of other aid donors, and the benefits they derive from their programs;

[(6) criteria for determining the appropriate size and composition of country programs;

[(7) the appropriateness of the current mix of grants and loans, and the possibility of combining them with new or existing guarantee, insurance, and export credit programs;

[(8) specific means to more actively engage the private sector in assistance programs; and

[(9) the usefulness of current functional categories in constructing the development assistance budget.

[(b) The Congress requests that the President provide to the Congress a preliminary report by March 31, 1982, and a final report by June 30, 1982, with respect to the issues referred to in subsection (a).

[EXTERNAL DEBT BURDENS OF EGYPT, ISRAEL, AND TURKEY

[SEC. 723. The Congress finds that the Governments of Egypt, Israel, and Turkey each have an enormous external debt burden which may be made more difficult by viture of financing provided for those governments under various United States assistance programs. In order to assist the Congress in examining United States assistance for these countries, the President shall report to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate, not later than one hundred and twenty days after the date of enactment of this Act and not later than one year after the date of enactment of this Act, regarding economic conditions prevailing in Egypt, Israel, and Turkey which may affect their respective ability to meet their international debt obligations and to stabilize their economies.

These reports shall also analyze the impact on Egypt's economy of Arab sanctions against Egypt.

[NICARAGUA

[SEC. 724. (a) In furnishing under this Act to the Government of Nicaragua, the President shall take into account the extent to which that Government has engaged in violations of internationally recognized human rights (including the right to organize and operate labor unions free from political oppression, the right to freedom of the press, and the right to freedom of religion) and shall encourage the Government of Nicaragua to respect those rights.

[(b) In furnishing assistance under this Act to the Government of Nicaragua, the President shall take into account the extent to which that Government has fulfilled its pledge of July 1979 to the member states of the Organization of American States—

[(1) to establish full respect for human rights in Nicaragua in accordance with the United Nations Universal Declaration of the Rights and Duties of Man and the Charter on Human Rights of the Organization of American States;

[(2) to allow the free movement in Nicaragua of the Inter-American Commission on Human Rights; and

[(3) to establish the framework for free and democratic elections so that the people of Nicaragua may elect their representatives to city councils, to constitutional assembly, and to Nicaragua's highest-ranking authorities, with such framework to include, but not be limited to, the full and complete opportunity for political activity of the Nicaraguan people.

[(c) Assistance to the Government of Nicaragua under this Act shall be terminated if the President determines and reports to the Congress that the Government of Nicaragua cooperates with or harbors any international terrorist organization or is aiding, abetting, or supporting acts of violence or terrorism in other countries, or that Soviet, Cuban, or other foreign combat military forces are stationed or situated within the borders of Nicaragua and the presence of such forces constitutes a threat to the national security of the United States or to any Latin American ally of the United States.

[(d) Any agreement between the United States and the Government of Nicaragua regarding the use of funds appropriated to carry out this Act, which are to be made available in the form of loans, shall specifically require that to the maximum extent possible such loan funds, and any local currency generated in conjuction therewith, shall be used for assistance to the private sector. Local currency loan programs in Nicaragua shall be monitored and audited in accordance with section 624(g) of the Foreign Assistance Act of 1961

[(e) For each six-month period in whcih any funds are expended under this Act for Nicaragua, the President shall submit to the Speaker of the House of Representatives, and the chairman of the Committee on Foreign Relations of the Senate, a report accounting fully and in itemized detail for the amounts obligated and actually expended in Nicaragua.

[ASSISTANCE AND SALES FOR ARGENTINA

[SEC. 725. (a) Section 620B of the Foreign Assistance Act of 1961 was repealed.

[(b) Notwithstanding any other provision of law, assistance may be provided to Argentina under chapter 2, 4, 5, or 6 or part II of the Foreign Assistance Act of 1961, credits (including participations in credits) may be extended and loans may be guaranteed with respect to Argentina under the Arms Export Control Act, defense articles and defense services may be sold to Argentina under the Arms Export Control Act, and export licenses may be issued to or for the Government of Argentina under section 38 of the Arms Export Control Act, only if the President has submitted to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a detailed report certifying that—

[(1) the Government of Argentina made significant progress in complying with internationally recognized principles of human rights; and

[(2) the provision of such assistance, credits, loan guarantees, defense articles, defense services, or export licenses in the national interests of the United States.

[(c) The Congress welcomes the actions of the Government of Argentina to adjudicate numerous cases of those detained under the national executive power of the Argentine Government, and the Congress hopes that progress will continue, especially with regard, to providing information on citizens listed as "disappeared" and prisoners remaining at the disposition of the national executive power. In the process of making the determination required in paragraph (1) of subsection, (b), among other things, the President shall consider—

[(1) efforts by the Government of Argentina to provide information on citizens identified as "disappeared"; and

[(2) efforts by the Government of Argentina or release or bring to justice those prisoners held at the disposition of the national executive power (PEN).

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[ASSISTANCE FOR EL SALVADOR

[SEC. 727. (a) It is the sense of the Congress that assistance furnished to the Government of El Salvador, both economic and military, should be used to encourage—

[(1) full observance of internationally recognized human rights in accordance with sections 116 and 502B of the Foreign Assistance Act of 1961;

[(2) full respect for other fundamental human rights, including the right of freedom of speech and of the press, the right to organize and operate free labor unions, and the right to freedom of religion;

[(3) continued progress in implementing essential economic and political reforms, including land reform and support for the private sector;

[(4) a complete, and timely investigation of the deaths of all United States citizens killed in El Salvador since October 1979;

[(5) an end to extremist violence and the establishment of a unified command and control of all government security forces in this effort;

[(6) free, fair, and open elections at the earliest date; and

[(7) increased professional capability of the Salvadoran Armed Forces in order to establish a peaceful and secure evironment in which economic development and reform and the democratic processes can be fully implemented, thereby permitting a phased withdrawal of United States military training and advisory personnel at the earliest possible date.

[(b) It is the sense of the Congress that the United States economic assistance to El Salvador should put emphasis on revitalizing the private sector and supporting the free market system. The Congress recognizes that the lack of foreign exchange to buy imported raw materials and intermediate goods is a major impediment to the ability of the Salvadoran economy tor provide jobs. The Congress also recognizes that the funds budgeted for economic assistance are only a fraction of the foreign exchange needed, and United States economic aid should be used, wherever possible, to stimulate private sector lending. Therefore, the Congress urges the President to set aside a portion of the economic support funds to provide guarantees to private United States banks willing to give credits to the Salvadoran private sector.

[RESTRICTIONS ON MILITARY ASSISTANCE AND SALES TO EL SALVADOR

[SEC. 728. (a)(1) The Congress finds that peaceful and democratic development in Central America is in the interest of the United States and of the community of American States generally, that the recent civil strife in El Salvador has caused great human suffering and disruption to the economy of that country, and that substantial assistance to El Salvador is necessary to help alleviate that suffering and to promote economic recovery within a peaceful and democratic process. Moreover, the Congress recognizes that the efforts of the Government of El Salvador to achieve these goals are affected by the activities of forces beyond its control.

[(2) Taking note of the substantial progress made by the Government of El Salvador in land and banking reforms, the Congress declares it should be the policy of the United States to encourage and support the Government of El Salvador in the implementation of these reforms.

[(3) The United States also welcomes the continuing efforts of President Duarte and his supporters in the Government of El Salvador to establish greater control over the activities of members of the armed forces and government security forces. The Congress finds that it is in the interest of the United States to cooperate with the Duarte government in putting an end to violence in El Salvador by extremist elements among both the insurgents and the security forces, and in establishing a unified command and control of all government forces.

[(4) The United States supports the holding of free, fair, and open elections in El Salvador at the earliest date. The Congress notes the progress being made by the Duarte government in this area, as evidenced by the appointment of an electoral commission.

[(b) In fiscal years 1982 and 1983, funds may be obligated for assistance for El Salvador under chapter 2 or 5 of part II of the Foreign Assistance Act of 1961, letters of offer may be issued and credits and guarantees may be extended for El Salvador under the Arms Export Control Act, and members of the Armed Forces may be assigned or detailed to El Salvador to carry out functions under the Foreign Assistance Act of 1961 or the Arms Export Control Act, only if not later than thirty days after the date of enactment of this Act and every one hundred and eighty days thereafter, the President makes a certification in accordance with subsection (d).

[(c) If the President does not make such a certification at any of the specified times then the President shall immediately—

[(1) suspend all expenditures of funds and other deliveries of assistance for El Salvador which were obligated under chapters 2 and 5 of part II of the Foreign Assistance Act of 1961 after the date of enactment of this Act;

[(2) withhold all approvals for use of credits and guarantees for El Salvador which were extended under the Arms Export Control Act after the date of enactment of this Act;

[(3) suspend all deliveries of defense articles, defense services, and design and construction services to El Salvador which were sold under the Arms Export Control Act after the date of enactment of this Act; and

[(4) order the prompt withdrawal from El Salvador of all members of the Armed Forces performing defense services, conducting international military education and training activities, or performing management functions under section 515 of the Foreign Assistance Act of 1961.

Any suspension of assistance pursuant to paragraphs (1) through (4) of this subsection shall remain in effect during fiscal year 1982 and during final year 1983 until such time as the President makes a certification in accordance with subsection (d).

[(d) The certification required by subsection (b) is a certification by the President to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate of a determination that the Government of El Salvador—

[(1) is making a concerted and significant effort to comply with internationally recognized human rights;

[(2) is achieving substantial control over all elements of its own armed forces, so as to bring to an end the indiscriminate torture and murder of Salvadoran citizens by these forces:

[(3) is making continued progress in implementing essential economic and political reforms, including the land reform program;

[(4) is committed to the holding of free elections at any early date and to that end has demonstrated its good faith efforts to begin discussions with all major political factions in El Salvador which have declared their willingness to find and implement an equitable political solution to the conflict, with such solution to involve a commitment to—

[(A) a renouncement of further military or paramilitary activity; and

[(B) the electoral process with internationally recognized observers.

Each such certification shall discuss fully and completely the justification for making each of the determinations required by paragraphs (1) through (4).

[(e) On making the first certification under subsection (b) of this section, the President shall also certify to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that he has determined that the Government of El Salvador has made good faith efforts both to investigate the murders of the six United States citizens in El Salvador in December 1980 and January 1981 and to bring to justice those responsible for those murders. The second certification required under this section may be made only if it includes a determination by the President that the Government of El Salvador (1) had made good faith efforts since the first such certification was made to investigate the murders of those six United States citizens and to bring to justice those responsible for those murders, and (2) has taken all reasonable steps to investigate the disappearance of journalist John Sullivan in El Salvador in January 1981. The fourth certification required under this section may be made only if it includes a determination by the President that, since the third such certification was made, the Government of El Salvador (1) has made good faith efforts both to investigate the murders of the seven United States citizens in El Salvador in December 1980 and January 1981 and to bring to justice all those responsible for those murders, and (2) has taken all reasonable steps to investigate the killing of Michael Kline in El Salvador in October 1982.

[REPORTING REQUIREMENT RELATING TO EL SALVADOR

[SEC. 729. (a) Not later than ninety days after the date of enactment of this section, the President shall prepare and transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate a report setting forth—

[(1) the viewpoints of all major parties to the conflict in El Salvador and of the influential actors in the Salvadoran political system regarding the potential for and interest in negotiations, elections, and a settlement of the conflict; and

[(2) the views of democratic Latin American nations, Canada, the Organization of American States, and European allies of the United States regarding a negotiated settlement to such conflict.

[(b) It is the sense of the Congress that the President shall, as soon as possible, send a special envoy or use other appropriate means to consult with and gather information from appropriate representatives of the parties to the Salvadoran conflict, democratic governments of Latin America, Canada, and European allies of the United States regarding the attainment of a negotiated settlement in El Salvador.

[RESTRICTIONS ON AID TO EL SALVADOR

SEC. 730. None of the funds authorized to be appropriated by this Act may be made available for the provision of assistance to El Salvador for the purpose of planning for compensation, or for the purpose of compensation, for the confiscation, nationalization, acquisition, or expropriation of any agricultural or banking enterprise, or of the properties or stick shares which may be pertaining thereto.

[EL SALVADORAN REFUGEES

[SEC. 731. It is the sense of the Congress that the administration should continue to review, on a case-by-case basis, petitions for extended voluntary departure made by citizens of El Salvador who claim that they are subject to persecution in their homeland, and should take full account of the civil strife in El Salvador in making decisions on such petitions.

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[REPEALS

SEC. 734. (a) * * *

[(b) * * *

[(c) Except as otherwise explicitly provided by their terms, amendments to the Foreign Assistance Act of 1961 and the Arms Export Control Act which are applicable only to a single fiscal or calendar year or which require reports on other actions on a nonrecurring basis shall be deemed to have expired and shall be removed from law upon the expiration of the applicable time periods for the fulfillment of the required actions.

[REPORT ON NUCLEAR ACTIVITIES

[SEC. 735. Beginning with the fiscal year 1983 and for each fiscal year thereafter, the President shall prepare and transmit to the Congress, as part of the presentation materials for foreign assistance programs proposed for the fiscal year, a classified report describing the nuclear programs and related activities of any country for which a waiver of section 669 or 670 of the Foreign Assistance Act of 1961 is in effect, including an assessment of—

[(1) the extent and effectiveness of International Atomic Energy safeguards at that country's nuclear facilities; and

[(2) the capability, actions, and intentions of the government of that country with respect to the manufacture or acquisition of a nuclear explosive device.

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[PROHIBITIONS RELATING TO NUCLEAR TRANSFERS AND NUCLEAR DETONATIONS

[SEC. 737. (a) The Congress finds that any transfer or, in the case of a non-nuclear-weapon state, and receipt or detonation of a nuclear explosive device would cause grave damage to bilateral relations between the United States and that country.

[(b) * * *

[(c) * * *]

International Security and Development Cooperation Act of 1980

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[TITLE I—MILITARY AND RELATED ASSISTANCE AND SALES PROGRAMS

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[FOREIGN MILITARY SALES AUTHORIZATION AND AGGREGATE CEILING

[SEC. 106.(a) * * *

[(b) * * *

[(c) * * *

[(d) The principal amount of the loans guaranteed under section 24(a) of such Act for the fiscal year 1981 with respect to Egypt, the Sudan, Greece, and Turkey shall be repaid, and with respect to Somalia may be repaid, in not less than twenty years, following a grace period of ten years on repayment of principle.

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[EXPORT CONTROLS ON CERTAIN ITEMS ON THE MUNITIONS LIST

[SEC. 108. * * * [Repealed—1981]

[LEASING OF DEFENSE PROPERTY

[SEC. 109. * * * [Repealed—1981]]

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[MILITARY OR PARAMILITARY OPERATIONS IN ANGOLA

[SEC. 118. * * * [Repealed—1985]

[PROHIBITION ON MILITARY ASSISTANCE TO NICARAGUA

[SEC. 119. None of the funds authorized to be appropriated by this title shall be made available for any aid or assistance of Nicaragua.

[TITLE II—ECONOMIC SUPPORT FUND

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[TITLE III—DEVELOPMENT ASSISTANCE PROGRAMS

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[ASSISTANCE OF THE EASTERN CARIBBEAN

[SEC. 313. (a) The Congress urges the President to use up to $7,000,000 for the fiscal year 1981 for bilateral development assistance for the countries of the eastern Caribbean.

[(b) * * * [Repealed—1981]

[ASSISTANCE FOR EQUATORIAL GUINEA

[SEC. 314. The President is urged to provide up to $3,000,000 of the funds authorized to be appropriated for the fiscal year 1981 by this title for assistance to Equatorial Guinea if he deems that conditions in that country warrant such assistance.]

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[REDUCTION OF POSTHARVEST LOSSES OF FOOD

[SEC. 317. It is the sense of the Congress that—

[(1) the President should reaffirm the policy of the United States Government to support the goal established by the United States General Assembly of reducing by 50 percent postharvest losses of food in developing countries; and

[(2) the President, acting through the Agency for International Development, should increase substantially the proportion of funds made available under the Foreign Assistance Act of 1961 for the purpose of assisting, together with other donor countries and with developing countries, in the reduction of postharvest losses of food in developing countries.

[TITLE IV—OTHER ASSISTANCE PROGRAMS

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[INTERNATIONAL NARCOTICS CONTROL

[SEC. 402. (a) * * *

[(b) * * *

[(c) Notwithstanding the provisions of section 482(a)(2) of the Foreign Assistance Act of 1961 as in effect immediately prior to the enactment of this Act, funds appropriated for the fiscal year 1980 to carry out the purposes of section 481 of that Act which were obligated for assistance for Colombia may be used for fixed-wing aircraft, communications equipment, and such other equipment and operational support, including aviation services, as are essential to the Colombian anti-narcotics enforcement program.

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[EAST TIMOR

[SEC. 408. It is the sense of the Congress that the President should take all appropriate measures to—

[(1) continue to support and encourage relief operations by the Government of Indonesia and by international relief agencies in East Timor;

[(2) assist the Government of Indonesia to facilitate the reuniting of families separated because of developments in recent years in East Timor; and

[(3) encourage the Government of Indonesia to allow access to East Timor by international journalists.]

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[TITLE VI—PEACE CORPS

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[UTILIZATION OF RETURNED PEACE CORPS VOLUNTEERS

[SEC. 603. * * * [Repealed—1981]

[TITLE VII—MISCELLANEOUS PROVISIONS

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[INTERAGENCY GROUP ON HUMAN RIGHTS AND FOREIGN ASSISTANCE

[SEC. 710. It is the sense of the Congress that—

[(1) the Interagency Group on Human Rights and Foreign Assistance has been an effective mechanism for coordinating and implementing United States human rights policies;

[(2) the President should consider establishing the Interagency Group on a more permanent basis;

[(3) the Interagency Group should examine proposals for not only economic assistance but also for security assistance; and

[(4) the President should report his recommendations for strengthening the Interagency Group to the Congress no later than July 1, 1981.

[PEACE IN THE MIDDLE EAST

[SEC. 711. (a) It is the sense of the Congress that all parties to the Arab-Israeli conflict need to reaffirm their unequivocal commitment to the peace process in order to achieve further progress toward a comprehensive settlement, to reinforce the principles of the Camp David accords, and to take actions to encourage parties not currently involved in the peace process to become active participants in peace efforts.

[(b) It is further the sense of the Congress that to further these goals (1) all parties to the conflict should accept Israel's unequivocal right to exist within secure and recognized borders; (2) the Governments of Israel and Egypt should maintain and strengthen their commitment to the process of normalization of relations and continue actions to support that commitment; (3) the Governments of Israel and Egypt should reaffirm their commitment to United Nations Resolution 242 and its applicability, in all its aspects, to territories under negotiations; and (4) the governments of countries in the Middle East should assure that their policies and actions are consistent with the objectives of achieving peace and of involving other parties in the peace process.

[ASSISTANCE FOR JORDAN

[SEC. 712. It is the sense of the Congress that for Jordan to receive any funds authorized to be appropriated by this Act, it should be judged by the President that Jordan is acting in good faith to achieve peace in the Middle East and that the expenditure of such funds for Jordan will serve to further peace in the Middle East.

[EXTERNAL DEBT BURDENS OF EGYPT, ISRAEL, PORTUGAL, AND TURKEY

[SEC. 713. * * * [Repealed—1981]

[SOVIET MILITARY PERSONNEL AND ACTIVITIES IN CUBA

[SEC. 714. * * * [Repealed—1981]

[CUBAN REFUGEES

[SEC. 715. (a) The Congress finds that—

[(1) the flow of refugees for political, economic, or other compelling reasons is a growing and world-wide phenomenon;

[(2) the United States represents freedom of thought and action and economic opportunity and has historically played a major role in providing a home to the refugees of the world;

[(3) an orderly and lawful refugee process is necessary for the furtherance of United States domestic well-being;

[(4) continuation of the traditional compassionate and humanitarian policy of the United States regarding entry to its shores of refugees and other victims of oppression is threatened by the precipitate influx of large numbers of Cubans fleeing their country;

[(5) the United States has sought to negotiate with the Government of Cuba to establish a lawful, safe, and orderly process by which Cubans may be allowed to leave their country; and

[(6) the Cuban refugee crisis is a problem of international concern and other nations should contribute to its resolution.

[(b)(1) The Congress urges the President to take the necessary steps to encourage and secure greater international cooperation with respect to the large number of Cuban natives who have recently fled or are attempting to flee Cuba. Such steps should include seeking the agreement of other countries to admit some of those persons into their respective countries and to contribute funds and other assistance for the resettlement of those persons.

[(2) In order to encourage countries throughout the world which are recipients of United States bilateral and multilateral assistance to permit and to help finance the resettlement of Cuban and other refugees within their borders, the President shall, to the maximum extent feasible, attempt to channel such assistance to countries which have demonstrated a willingness to provide assistance to Cuban and other refugees.

[(c) It is the sense of the Congress that, in carrying out subsection (b)(1), the President should seek the discussion, in an appropriate international forum such as the United Nations or the Organization of American States, of the situation involving the flight of large numbers of Cuban natives from Cuba, of the resettlement of Cuban refugees, and of means by which a more orderly process may be established to handle future crisis of a similar nature.

[INCARCERATION AND DEPORTATION OF CERTAIN CUBANS

[SEC. 716. The Congress finds that the United States Government has already incarcerated recently arrived Cubans who are admitted criminals, are security threats, or have incited civil disturbances in Federal processing facilities. The Congress urges the Executive branch, consistent with United States law, to seek the deportation of such individuals.

[PROHIBITION ON ASSISTANCE TO THE GOVERNMENTS OF CUBA, VIETNAM, AND CAMBODIA

[SEC. 717. None of the funds authorized to be appropriated by this Act may be used to provide assistance to the Governments of Cuba, Vietnam, or Cambodia. Nothing in this section shall be construed to prohibit food assistance or humanitarian assistance which is distributed directly to the people of Cambodia.

[COOPERATION OF OTHER GOVERNMENTS IN THE BOYCOTT OF THE 1980 SUMMER OLYMPIC GAMES IN MOSCOW

[SEC. 718. In determining the levels of assistance to be provided to a foreign government with funds authorized to be appropriated by this Act, the President shall take into account the position of that government with respect to the United States proposed boycott of the 1980 summer Olympic games in Moscow.

[ELECTIONS IN UGANDA

[SEC. 719. The President shall encourage the holding of free, open elections in Uganda and shall, in considering assistance for Uganda with funds authorized to be appropriated by this Act, take into account whether such elections are held.

[REPORT TO CONGRESS ON THE IMPLEMENTATION OF THE LANCASTER HOUSE DECLARATION OF RIGHTS IN ZIMBABWE

[SEC. 720.* * * [Repealed—1981]

[RESTRICTION ON ASSISTANCE TO EL SALVADOR

[SEC. 721. * * * [Repealed—1981]]

[International Development Cooperation Act of 1979

[Partial text of Public Law 96-53 [H.R. 3324], 93 Stat. 359, approved August 14, 1979, as amended by Public Law 96-465 [Foreign Service Act of 1980, H.R. 6790], 94 Stat. 2071 at 2162, approved October 17, 1980; Public Law 96-533 [International Security and Development Cooperation Act of 1980, H.R. 6942], 94 Stat. 3131 at 3148, approved December 16, 1980; Public Law 97-113 [S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981; and by Public Law 98-164 [Department of State Authorization Act, Fiscal Year 1984 and 1985; H.R. 2915], 97 Stat. 1017 at 1061, approved November 22, 1983

[NOTE.—Except for the provisions noted below, the International Development Cooperation Act of 1979 consists of amendments to the FA Act of 1961, the International Development and Food Assistance Act of 1978, the International Development and Food Assistance Act of 1977, Public Law 480, Title 5 of the United States Code, and the Peace Corps Act. These amendments are incorporated into the texts of these Acts at the appropriate locations.

[AN ACT To authorize appropriations for fiscal year 1980 for international development and economic assistance programs and for the Peace Corps, and for other purposes.

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SHORT TITLE

[SECTION 1. This act may be cited as the "International Development Cooperation Act of 1979".

[TITLE I—DEVELOPMENT ASSISTANCE

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[INTERNATIONAL ORGANIZATIONS AND PROGRAMS

[SEC. 114. (a) * * *

[(b) Notwithstanding any other provision of law, funds appropriated for the fiscal year 1979 to meet the annual obligations of membership of the United States in the United Nations and its specialized agencies may be made available for the furnishing of technical assistance by the United Nations and its specialized agencies.

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[PROHIBITION ON ASSISTANCE TO PANAMA

[SEC. 124. * * *[Repealed—1981]

[ASSISTANCE TO LATIN AMERICAN AND CARIBBEAN COUNTRIES

[SEC. 125. It is the sense of the Congress that the United States should place greater emphasis on public and private resources for development programs in Latin America and the Caribbean which address problems common to the Western Hemisphere. It is further the sense of the Congress that provision of such assistance to Latin American and Caribbean countries, including transitional developing countries, is consistent with the purposes of part I of the Foreign Assistance Act of 1961.

[INCREASED CONTRIBUTIONS FOR DEVELOPMENT ASSISTANCE

[SEC. 126. In recognition of the rapidly growing economic strength and ability to contribute to international development and security efforts of other nations, it is the sense of the Congress that the President should take all appropriate steps to negotiate with those nations with adequate financial resources to provide assistance to increase their contributions for development assistance through multilateral programs as well as through bilateral efforts.

[TITLE II—FOOD FOR PEACE

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[TITLE III—PEACE CORPS

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[TITLE IV—INSTITUTE FOR SCIENTIFIC AND TECHNOLOGICAL COOPERATION

[STATEMENT OF POLICY

[SEC. 401. As declared by Congress in the Foreign Assistance Act of 1961, a principal objective of the foreign policy of the United States is the encouragement and sustained support of the people of developing countries in their efforts to acquire the knowledge and resources essential to development and to build the economic, political, and social institutions which will improve the quality of their lives. The Congress reaffirms the profound humanitarian and foreign policy concerns of the United States in the economic and social progress of the developing countries and in the alleviation of the worst physical manifestations of poverty in these countries.

[In furtherance of that objective, the Congress recognizes that developing countries require extensive scientific and technological capacity in order to deal effectively with their development problems, relate to the industrialized nations, and constructively participate in the shaping of a stable world order.

[It is therefore in the mutual interest of the United States and the developing countries to increase scientific and technological cooperation and jointly to support long-term research on critical problems that impede development and limit the efficient use of the world's human, natural, and capital resources.

[PURPOSES AND ESTABLISHMENT OF THE INSTITUTE

[SEC. 402. (a) To strengthen the capacity of the people of developing countries to solve their development problems through scientific and technological innovation, to foster research on problems of development, and to facilitate scientific and technological cooperation with developing countries, the President is authorized to establish an Institute for Scientific and Technological Cooperation (hereafter in this title referred to as the "Institute"), which shall be subject to the foreign policy guidance of the Secretary of State.

[(b) The Institute shall be guided by the policies set forth in sections 101 and 102 of the Foreign Assistance Act of 1961 and shall direct a substantial share of its resources to those objectives.

[FUNCTIONS OF THE INSTITUTE

[SEC. 403. (a) In carrying out its purposes, the Institute shall—

[(1) assist developing countries to strengthen their own scientific and technological capacity in order for them to undertake the research and experimentation necessary for development;

[(2) support research in the United States and in developing countries, on critical development problems, with emphasis on research relating to technologies which are labor-intensive or which do not generate additional unemployment or underemployment and with emphasis on those problems which are the greatest impediment to improvement in the lives of the majority of the poor;

[(3) foster the exchange of scientists and other technological experts with developing countries and other forms of exchange and communication to promote the joint solution of problems of mutual concern to the United States and developing countries;

[(4) advise and assist other agencies of the United States Government in planning and executing policies and programs of scientific and technological cooperation with developing countries;

[(5) facilitate the participation of private United States institutions, businesses, and individuals in scientific and technological cooperation with developing countries; and

[(6) gather, analyze, and disseminate information relevant to the scientific and technological needs of developing countries.

[(b) In carrying out the functions specified in subsection (a), the Institute shall take particular care to review all of its programs, projects and other activities to ensure that technologies which are developed utilized, or promoted are assessed with regard to minimizing any new problems and that participants in such programs, projects, and activities are fully aware of the need for such review with respect to any technology-related activities for which they are responsible.

[(c) For purposes of carrying out the functions of the Institute, the President may utilize, in addition to authorities conferred by this title, such authority contained in the Foreign Assistance Act of 1961, the Foreign Service Act of 1980, title V of the Foreign Relations Authorization Act, Fiscal Year 1979, and title IV of the International Development and Food Assistance Act of 1978, as the President deems necessary.

[(d) The Institute shall carry out its functions in consultation and cooperation with the agencies of the United States Government, international organizations, and agencies of other governments engaged in promoting economic, social, and technological development in developing countries.

[(e) The President shall prescribe appropriate procedures to assure coordination of the activities of the Institute with other activities of the United States Government in furthering the use of science and technology in the cause of development.

[GENERAL AUTHORITIES

[SEC. 404. (a) To carry out the purposes and functions of the Institute, the President may—

[(1) make and perform contracts and other agreements with any individual, institution, corporation, or other body of persons however designated, within or outside the United States, and with governments or government agencies, domestic or foreign;

[(2) make advances, grants, and loans to any individual, institution, corporation, or other body of persons however designated, within or outside the United States, and to governments or government agencies, domestic or foreign;

[(3) employ such personnel as necessary and fix their compensation;

[(4) make provision for compensation, transportation, housing, subsistence (or per diem in lieu thereof), and health care or health and accident insurance for foreign nationals engaged in activities authorized by this title while they are away from their homes, without regard to the provisions of any other law;

[(5) accept and use money, funds, property, and services of any kind by gift, devise, bequest, grant, or otherwise in furtherance of the purposes of the Institute;

[(6) acquire by purchase, lease, loan, bequest, or gift and hold and dispose of by sale, lease, loan, or grant, real and personal property of all kinds;

[(7) prescribe, amend, and repeal such rules and regulations as may be necessary to the conduct of the business of the Institute;

[(8) utilize information, services, facilities, officers, and employees of any agency of the United States Government;

[(9) establish a principal office in the United States and such other offices within or outside the United States, as may be necessary;

[(10) make such expenditures as may be necessary for administering the provisions of this title;

[(11) adopt, alter, and use an official seal for the Institute, which shall be judicially noticed; and

[(12) take such other actions as may be necessary and incidental to carrying out the functions of the Institute.

[(b) Any authority provided by this section involving the expenditures of appropriated funds shall be effective for a fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

[DIRECTOR OF THE INSTITUTE

SEC. 405. (a) There shall be a Director of the Institute (hereafter in this title referred to as the "Director") who shall be the chief executive officer of the Institute. The Director shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate payable for level III of the Executive Schedule under section 5314 of title 5 of the United States Code.

[(b) The President may exercise any authorities conferred upon him by this title through the Director or any other agency or officer of the United States Government as he shall direct. The Director or head of any such agency or any such officer may delegate to any of his subordinates authority to perform any of such functions.

[DEPUTY DIRECTOR AND OTHER STATUTORY OFFICERS

[SEC. 406. (a) A Deputy Director of the Institute shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director shall receive compensation at the rate payable for level IV of the Executive Schedule under section 5315 of title 5 of the United States Code.

[(b) The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe.

[(c) The President may establish up to two additional positions in the Institute to be compensated at the rate payable for level V of the Executive Schedule under section 5316 of title 5 of the United States Code.

[COUNCIL ON INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION

[SEC. 407. (a) In order to further the purposes of the Institute, the President is authorized to establish a Council on International Scientific and Technological Cooperation (hereafter in this title referred to as the "Council").

[(b)(1) The Council shall—

[(A) advise the Director with respect to the policies, programs, planning, and procedures of the Institute;

[(B) make recommendations to the Director on the use of the resources available to the Institute; and

[(C) advise the Director on matters involving the activities of the Institute overseas and appropriate relationship with the private sector, within and outside the United States.

[(2) The Council shall prepare an annual report setting forth the major recommendations made and advice given pursuant to paragraph (1) of this subsection.

[(c) The Director shall seek the advice of the Council before making any decision with respect to the selection or terminiation of, or any significant change in, the areas and issues in which the Institute conducts its activities, and with respect to the transfer of specific programs and projects from any other Government agency to the Institute. The Council shall have the authority to review all new programs and initiatives before their implementation and to make recommendations with regard to the approval or disapproval of new programs and initiatives having a cost in excess of $500,000 or a duration greater than two years.

[(d) The Council shall consist of up to twenty-five members appointed by the President, one of the whom the President shall designate as Chairman. The members of the Council shall be appointed for terms of four years, except that the members first appointed shall be appointed for terms of one, two, three, or four years, as designated by the President at the time of their appointment, so that the terms of approximately one-fourth of the members of the Council expire in any year. The members of Council shall be selected from among—

[(1) citizens of the United States who are widely recognized for their broad knowledge of, or expertise in, science and technology, or their interest in the scientific and technological problems of developing countries;

[(2) citizens of foreign countries who by their knowledge and expertise are capable of providing advice and guidance to the Institute on the application of science and technology to the problems of developing countries, except that not more than one-third of the membership of the Council shall consist of members who are citizens of foreign countries; and

[(3) officials of the United States Government, except that not to exceed five members of the Council may be appointed under this paragraph, one of whom shall be the Secretary of State or his designee.

[(e) Members of the Council who are not officials of the United States Government shall be entitled to compensation, not to exceed the daily equivalent of the highest rate which may be paid to an employee under the General Schedule established by section 5332 of title 5 of the United States Code, while in the performance of their duties under this title, and to reimbursement for expenses and per diem in lieu of subsistence while away from their homes or regular places of business in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United State Code. Members of the Council who are not officials of the United States Government shall not be deemed officers, employees, or otherwise in the service or employment of the United States Government for any purpose, except that members of the Council who are United States citizens shall be deemed Government employees for the purposes of sections 202, 203, 205, 207, 208, and 209 of title 18 of the United States Code.

[(f) The Council may appoint from among its members an Executive Committee, and such other committees it deems necessary, to assist it in exercising its powers and functions. The Executive Committee shall consist of seven members, one of whom shall be the Chairman of the Council and not more than three of whom shall be employees of the United States Government. The Executive Committee shall exercise such powers and functions as are delegated to it by the Council.

[INSTITUTE FELLOWSHIPS

[SEC. 408. (a) The President is authorized to award up to twenty fellowships annually for periods up to two years, such awards to be renewable for an additional period not to exceed two years, to individuals who have demonstrated exceptional competence and ability in the fields of scientific, technological, economic, or social endeavor selected by the Institute for concentration. The awards shall be made so as to encompass a wide diversity of disciplines and backgrounds, and shall be made on the basis of criteria established by the President upon the advice of the Council. Up to ten of the awards in any year may be made to citizens of countries other than the United States. Individuals awarded fellowships shall be designated as Institute Fellows.

[(b) The President may assign Institute Fellows to undertake such activities, in the United States or abroad, as will further the purposes of the Institute.

[(c) The amount of the awards made pursuant to this section shall be established by the President, but shall not in any case exceed the highest rate which may be paid to an employee under the General Schedule established by section 5332 of title 5 of the United State Code. In addition, where appropriate, the President may make provisions for transportation, housing (when assigned outside country of residence), subsistence (or per diem in lieu thereof), and health care or health or accident insurance for Institute

Fellows and their dependents while engaged in activities authorized by this title.

[(d) Except as provided otherwise in this section, Institute Fellows shall not be deemed employees or otherwise in the service or employment of the United States Government. Institute Fellows shall be considered employees for purposes of compensation of injuries under chapter 81, of title 5 of the United States Code and the tort claim provisions of chapter 171 of title 28 of the United States Code. In addition, Institute Fellows who are United States citizens shall be considered Government employees for purposes of sections 202, 203, 205, 207, 208, and 209 of title 18 of the United States Code.

[(e) Alien participants in any program of the Institute, including Institute Fellows and their dependents, may be admitted to the United States, if otherwise qualified as non-immigrants under section 101(a)(15) of the Immigration and Nationality Act, for such time and under such conditions as may be prescribed by regulations promulgated by the Secretary of State and the Attorney General.

[CONFLICT OF INTEREST

[SEC. 409. Members of the Council and Institute Fellows shall avoid any action, in their activities with respect to the Insatitute, which might result in, or create the appearance of, a conflict of interest, including but not limited to—

[(1) using their office or position for private gain;

[(2) giving preferential treatment to any person;

[(3) making recommendations or decisions relating to any activity authorized by this title in other than an impartial and independent manner;

[(4) misusing Government property or official information obtained through their office or position which has not been made available to the general public; or

[(5) affecting adversely the confidence of the public in the integrity of the Institute.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 410. There are authorized to be appropriated to the President to carry out this title, in addition to funds otherwise available for such purpose, $12,000,000 for the fiscal year 1981. Funds appropriated under this section are authorized to remain available until expended.

[ANNUAL REPORT

[SEC. 411. * * * [Repealed—1983]

[CONFORMING AMENDMENTS

[SEC. 412. (a) Section 5314 of title 5 of the United States Code, relating to level III of the Executive Schedule, is amended by adding at the end thereof the following:

[“(70) Director, Institute for Scientific and Technological Cooperation.”

[(b) Section 5315 of title 5 of the United States Code, relating to level IV of the Executive Schedule, is amended by adding at the end thereof the following:

["(128) Deputy Director, Institute for Scientific and Technological Cooperation.".

[(c) Section 5316 of title 5 of the United States Code, relating to level V of the Executive Schedule, is amended by adding at the end thereof the following:

["(152) Additional officers, Institute for Scientific and Technological Cooperation (2).".

[ESTABLISHMENT IN INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

[SEC. 413. Upon the establishment of the United States International Development Cooperation Agency pursuant to Reorganization Plan Numbered 2 of 1979, the Institute shall be established within such Agency.

[EXPIRATION OF AUTHORITIES

[SEC. 414. The authorities contained in this title shall expire on September 30, 1984.

[TITLE V—MISCELLANEOUS PROVISIONS

[EARMARKING FOR LEBANON OF UNOBLIGATED BALANCES IN THE MIDDLE EAST SPECIAL REQUIREMENTS FUND

[SEC. 501. Of the funds continued available for the fiscal year 1979 for the Middle East Special Requirements Fund by section 103 of the Foreign Assistance and Related Programs Appropriations Act, 1979, which are unobligated on the date of enactment of this Act, $5,000,000 shall be available only for Lebanon and may hereafter be continued available only for such country.

[MILITARY ASSISTANCE TO SUDAN

[SEC. 502. In addition to the amount authorized to be appropriated for grant military assistance for the fiscal year 1980 by section 504(a)(1) of the Foreign Assistance Act of 1961, there is authorized to be appropriated to carry out the purposes of chapter 2 of part II of that Act for the fiscal year 1980 $1,700,000. Not more than $1,700,000 of the funds available to carry out that chapter for the fiscal year 1980 may be allocated and made available for assistance for Sudan. For purposes of the last sentence of section 504(a)(1) and for purposes of section 515(b)(1) of the Foreign Assistance Act of 1961, this section shall be deemed to be part of such section 504(a)(1).

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[HUMAN RIGHTS REPORTS

[SEC. 504. (a) * * *

[(b) * * * [Repealed—1981]

[* * * * * * *

[PROHIBITION ON ASSISTANCE TO VIETNAM, CAMBODIA, AND CUBA

[SEC. 506. * * * [Repealed—1981]

[NONPROLIFERATION OF NUCLEAR WEAPONS

[SEC. 507. (a) In accordance with the Nuclear Non-Proliferation Act of 1978, the Congress strongly urges all nations which are not parties to the Treaty on Non-Proliferation of Nuclear Weapons to become parties to that treaty.

[(b) * * * [Repealed—1981]

[ACCELERATED LOAN REPAYMENTS

[SEC. 508. (a) * * *

[(b) * * * [Repealed—1981]

[REFUGEE CRISIS IN SOUTHEAST ASIA

[SEC. 509. (a)(1) The refugee crisis in Indochina is unfolding as one of the great human tragedies of our time.

[(2) At least seven hundred and fifty thousand human beings have fled Vietnam, Kampuchea, and Laos since the spring of 1975.

[(3) Approximately three hundred thousand human beings currently remain in refugee camps throughout Southeast Asia.

[(4) As many as two hundred and fifty thousand human beings may have perished in their attempts to reach freedom and many thousands more face death should the present situation continue.

[(5) The international borders are closing to the refugees fleeing from Indochina.

[(6) The international community has failed to respond adequately to the crisis, despite the existence of adequate mechanisms to respond.

[(b) It is the sense of the Congress that the President should continue to support the efforts of the Secretary General of the United Nations to use appropriate fora to deal with the refugee crisis in Southeast Asia.

[(c) * * * [Repealed—1981]

[CERTAIN TRAVEL EXPENSES

[SEC. 510. Section 5924(4)(B) of title 5, United States Code, is amended by striking out "one annual trip each way for each dependent of an employee of the Department of State or the United States Information Agency, or" and inserting in lieu thereof "(i) in the case of dependents traveling to obtain secondary education, one annual trip, or in the case of dependents traveling to obtain undergraduate college education, two annual trips, each way for each dependent of an employee of the Department of State, of the International Communication Agency, or of the Agency for International Development, or (ii)".

[* * * * * * *

[EFFECTIVE DATES

[SEC. 512. (a) Except as provided in subsection (b) of this section and in section 503(b), this Act shall take effect on October 1, 1979.

[(b) Sections 114(b), 123, 501, and 509 of this Act shall take effect on the date of enactment of this Act.]

[International Security Assistance Act of 1979

[Partial text of Public Law 96-92 [H.R. 3173] 93 Stat. 701, approved October 29, 1979, as amended by Public Law 97-113 [S. 1196], 95 Stat. 1529 at 1560, approved December 29, 1981

[NOTE.—Except for the provisions noted below, the International Security Assistance Act of 1979 consists of amendments to the Foreign Assistance Act of 1961 and the Arms Export Control Act.

[AN ACT To amend the Foreign Assistance Act of 1961 and the Arms Export Control Act ot authorize international security asistance programs for fiscal year 1980, and for other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

[SHORT TITLE

[Section 1. This Act may be cited as the "International Security Assistance Act of 1979".

[* * * * * * *

[STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

[SEC. 6. (a) * * *
[(b) * * * [Repealed—1981]

[* * * * * * *

[AUTHORIZATION AND AGGREGATE CEILING FOR FOREIGN MILITARY SALES CREDITS

[SEC. 17 (a) * * *
[(b) Of the principal amount of loans guaranteed for the fiscal year 1980 under section 24 of the Arms Export Control Act—

[(1) with respect to Turkey, not to exceed $50,000,000,
[(2) with respect to Greece, not to exceed $42,000,000, and
[(3) with respect to Sudan, not to exceed $25,000,000, shall be repaid in not less than 20 years, following a grace period of 10 years on repayment of principal.

[* * * * * * *

[NATIONAL DISCLOSURE POLICY FOR SENSITIVE WEAPONS TECHNOLOGY

[SEC. 20. (a) * * * [Repealed—1981]
[(b) * * *

[* * * * * * *

[TRANSFER OF WAR RESERVE MATERIEL AND OTHER PROPERTY TO TAIWAN

[SEC. 23. (a) Notwithstanding any other provision of law, during the calendar year 1980 the President is authorized to transfer to Taiwan under such terms and conditions as he may deem appropriate, such United States war reserve materiel that was located on Taiwan on January 1, 1979, as he may determine.

[(b) Notwithstanding any other provision of law, during the calendar years 1979 and 1980, the President is authorized to transfer to Taiwan, under such terms and conditions as he may deem appropriate, such rights of the United States in property (other than war reserve materiel) that was located on Taiwan on January 1, 1979, as he may determine.

[AMMUNITION SOLD TO THAILAND

[SEC. 24. The Royal Thai Government shall be released from its contractual obligation to pay to the United States Government such amount as is due on or before October 30, 1979, as a condition precedent under the letter of offer accepted by the Royal Thai Government on April 12, 1977, to the transfer of title to the last increment of United States ammunition stocks sold to the Royal Thai Government under such letter of offer pursuant to the Memorandum of Agreement of March 22, 1977, relating to the storage of ammunition in Thiland.

[ASSISTANCE FOR JORDAN

[SEC. 25. * * * [Repealed—1981]

[SHABA AIRLIFT

[SEC. 26. Notwithstanding any other provision of law, the President is authorized to make available the services of the Department of Defense for the purpose of facilitating the removal from Zaire of those foreing armed forces which were transported to Zaire by the United States at the time of the crisis in Shaba Province in 1978.

[FISCAL YEAR 1979 SUPPLEMENTAL AUTHORIZATION FOR TURKEY

[SEC. 27. (a) It is hereby determined that the national interests of the United States would be served by the furnishing of additional economic support fund assistnace to Turkey in order to promote the economic and political stability of that country, and to strengthen its ability to fulfill its responsibilities as a member of the North Atlantic Treaty Organization.

[(b) In furtherance of subsection (a) of this section, and in addition to amounts otherwise available for such purposes, there are authorized to be appropriated to the President to carry out the purposes of chapter 4 of part II of the Foreign Assistance Act of 1961 $100,000,000 for the fiscal year 1979, which amount shall be available only for Turkey.

[(c) Amounts appropriated under this section may be made available until expended.

[(d) Notwithstanding any assistance authorized for Turkey under this Act, it remains the policy of the United States that all foreign troops in Cyprus, except those stationed in Cyprus under the auspices of the United Nations, should be withdrawn from Cyprus.

[(e) It is the sense of the Congress that the recent announcement by the leaders of the Greek Cypriots and the Turkish Cypriots to resume intercommunal negotiations is an encouraging recognition by the parties that the human rights and fundamental freedoms of all citizens of the Republic of Cyprus will be respected. The Congress urges all parties to the negotiations to demonstrate good faith in the negotiations and to move promptly toward a full, just, and lasting settlement.

[PROHIBITION ON ASSISTANCE TO PANAMA

[SEC. 28. * * * [Repealed—1981]]

[Special International Security Assistance Act of 1979

[Public Law 96-35 [S. 1007], 93 Stat. 89, approved July 20, 1979, as amended by Public Law 97-113 [S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981

[AN ACT To AUTHORIZE SUPPLEMENTAL INTERNATIONAL SECURITY ASSISTANCE FOR THE FISCAL YEAR 1979 IN SUPPORT OF THE PEACE TREATY BETWEEN EGYPT AND ISRAEL, AND FOR OTHER PURPOSES.

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SHORT TITLE

[SECTION 1. This Act may be cited as the "Special International Security Assistance Act of 1979".

[STATEMENT OF POLICY AND FINDINGS

[SEC. 2. (a) It is the policy of the United States to support the peace treaty concluded between the Government of Egypt and the Government of Israel on March 26, 1979. This treaty is a significant step toward a full and comprehensive peace in the Middle East. The Congress urges the President to continue to exert every effort to bring about a comprehensive peace and to seek an end by all parties to the violence which could jeopardize this peace.

[(b) The peace treaty between Egypt and Israel having been ratified, the Congress finds that the national interests of the United States are served—

[(1) by authorizing the President to construct air bases in Israel to replace the Israeli air bases on the Sinai peninsula that are to be evacuated;

[(2) by authorizing additional funds to finance procurements by Egypt and Israel through the fiscal year 1982 of defense articles and defense services for their respective security requirements; and

[(3) by authorizing additional funds for economic assistance for Egypt in order to promote the economic stability and development of that country and to support the peace process in the Middle East.

[(c) The authorities contained in this Act to implement certain arrangements in support of the peace treaty between Egypt and Israel do not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch.

[CONSTRUCTION OF AIR BASES IN ISRAEL

[SEC. 3. * * *

[SUPPLEMENTAL AUTHORIZATION OF FOREIGN MILITARY SALES LOAN GUARANTIES FOR EGYPT AND ISRAEL

[SEC. 4. (a) The Congress finds that the legitimate defense interests of Israel and Egypt require a one time extraordinary assistance package due to Israel's phased withdrawal from the Sinai and Egypt's shift from reliance on Soviet weaponry. The authorizations contained in this section do not, however, constitute Congressional approval of the sale of any particular weapons system to either country. These sales will be reviewed under the normal procedures set forth in section 36(b) of the Arms Export Control Act.

[(b) In addition to amounts authorized to be appropriated for the fiscal year 1979 by section 31(a) of the Arms Export Control Act, there is authorized to be appropriated to the President to carryout that Act $370,000,000 for the fiscal year 1979.

[(c) Funds made available pursuant to subsection (b) of this section may be used only for guaranties for Egypt and Israel pursuant to section 24(a) of the Armes Export Control Act. The principal amount of loans guaranteed with such funds may not exceed $3,700,000,000 of which $2,200,000,000 shall be available only for Israel and $1,500,000,000 shall be available only for Egypt. The principal amount of such guaranteed loans shall be in addition to the aggregate ceiling authorized for the fiscal year 1979 by section 31(b) of the Arms Export Control Act.

[(d) Loans guaranteed with funds made available pursuant to subsection (b) of this section shall be on terms calling for repayment within a period of not less than thirty years, including an initial grace period of ten years on repayment of principal.

[(e)(1) The Congress finds that the Governments of Israel and Egypt each have an enormous external debt burden which may be made more difficult by virtue of the financing authorized by this section. The Congress further finds that, as a consequence of the impact of the debt burdens incurred by Israel and Egypt under such financing, it may become necessary in future years to modify the terms of the loans guaranteed with funds made available pursuant to this section.

[(2) * * * [Repealed—1981]

[SUPPLEMENTAL AUTHORIZATION OF ECONOMIC SUPPORT FOR EGYPT

[SEC. 5. There is authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $300,000,000 for the fiscal year 1979 for Egypt, in addition to amounts otherwise authorized to be appropriated for such chapter for the fiscal year 1979. The amounts appropriated pursuant to this section may be made available until expended.

[TRANSFER OF FACILITIES OF THE SINAI FIELD MISSION TO EGYPT

[SEC. 6. The President is authorized to transfer to Egypt, on such terms and conditions as he may determine, such of the facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the peace treaty between Egypt and Israel.

[CONTRIBUTIONS BY OTHER COUNTRIES TO SUPPORT PEACE IN THE MIDDLE EAST

[SEC. 7. (a) It is the sense of the Congress that other countries should give favorable consideration to providing support for the implementation of the peace treaty between Egypt and Israel. Therefore, the Congress requests that the President consult with other countries in order to (1) promote and develop an agreement for the establishment of a peace development fund whose purpose would be to underwrite the costs of implementing a Middle East peace, and (2) encourage investments in Israel and Egypt and other countries in the region should they join in Middle East peace agreements.

[(b) * * * [Repealed—1981]

[PLANNING FOR TRILATERAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION BY EGYPT, ISRAEL, AND THE UNITED STATES

[SEC. 8. (a) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should be prepared to participate, at an appropriate time, in trilateral cooperative projects of a scientific and technological nature involving Egypt, Israel, and the United States.

[(b) Therefore, the President shall develop a plan to guide the participation of both United States Government agencies and private institutions in such projects. This plan shall identify—

[(1) potential projects in a variety of areas appropriate for scientific and technological cooperation by the three countries, including agriculture, health, energy, the environment, education, and water resources;

[(2) the resources which are available or which would be needed to implement such projects; and

[(3) the means by which such projects would be implemented.

[(c) * * * [Repealed—1981]

[REPORT ON COSTS TO THE UNITED STATES OF IMPLEMENTING THE PEACE TREATY BETWEEN EGYPT AND ISRAEL

[SEC. 9. * * * [Repealed—1981]

[NON-PROLIFERATION OF NUCLEAR WEAPONS

[SEC. 10. In accordance with the Nuclear Non-Proliferation Act of 1978, the Congress strongly encourages all countries in the Middle East which are not parties to the Treaty on the Non-Proliferation of Nuclear Weapons to become parties to that Treaty.]

International Development and Food Assistance Act of 1978

[* * * * * * *

[TITLE I—DEVELOPMENT ASSISTANCE

[* * * * * * *

[INTERNATIONAL ORGANIZATIONS AND PROGRAMS

[SEC. 117.—(a) * * *
[(b)(1) * * *
[(2) * * * [Repealed—1981]
[(c) * * *
[(d) * * *

[(e) In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the President not to exceed $1,000,000 for contributions to the World Assembly on Aging to be convened under the auspices of the United Nations, except that the amount so contributed may not exceed 25 percent of the expenditures of such Assembly. Amounts appropriated under this subsection are authorized to remain available until expended.

[* * * * * * *

[LOCUST PLAGUES CONTROL IN AFRICA

[SEC. 120. In order to assist in attempts to control locust plagues in Africa, especially in the Horn of Africa, there is authorized to be appropriated to the President, in addition to amounts otherwise authorized for disaster relief purposes, $2,000,000, which amount is authorized to remain available until expended.

[* * * * * * *

[AFRICAN DEVELOPMENT FOUNDATION

[SEC. 122. (a) The Congress declares that the United States should place higher priority on the formulation and implementation of policies and programs to enable the people of African nations to develop their potential, fulfill their aspirations, and enjoy better, more productive lives. In furtherance of these objectives, the Congress finds that additional support is needed for community-based self-help activities in Africa and that an African Development Foundation, organized to further the purposes set forth in section 123 of the Foreign Assistance Act of 1961, can complement current United States development programs in Africa.

[(b) * * * [Repealed—1981]

[TITLE II—FOOD FOR PEACE

[EFFECTIVENESS OF FOOD ASSISTANCE IN MEETING BASIC FOOD NEEDS

[SEC. 201. * * * [Repealed—1981]

[TITLE III—COORDINATION AND ADMINISTRATION OF THE DEVELOPMENT-RELATED PROGRAMS AND POLICIES OF THE UNITED STATES

[DECLARATION OF OBJECTIVES

[SEC. 301. The Congress declares that the United States Government should place higher priority, in the formulation and implementation of governmental policies, on efforts to help meet the legitimate needs of poor countries for improving the quality of the lives of their populations. The Congress also declares that greater effectiveness and efficiency of United States assistance to such countries can be achieved through improved coordination and administrative consolidation.

[IMPLEMENTATION OF OBJECTIVES

[SEC. 302. In furtherance of the objectives set forth in section 301 the Congress directs the President to institute a strengthened system of coordination of all United States economic policies which impact on the developing countries of the world, including but not limited to policies concerning international trade, commodity agreements, investment, debt, international financial institutions, international and multilateral development agencies and programs, and concessional and grant food assistance, in addition to policies concerning United States bilateral economic development assistance.

[REPORT

Sec. 303. * * * [Repealed—1981]]

[* * * * * * *

[TITLE VI—MISCELLANEOUS PROVISIONS

[REDUCTION OF AUTHORIZATION

[SEC. 601. The total funds authorized to be appropriated in this Act (excluding funds authorized to be appropriated to carry out section 214 of the Foreign Assistance Act of 1961) shall be reduced by 5 percent.

[PROHIBITION ON ASSISTANCE TO VIETNAM, CAMBODIA, AND CUBA

[SEC. 602. Notwithstanding any other provision of law or of this Act, funds authorized to be appropriated in this Act shall not be used for any form of aid, either by monetary payment or by the sale or transfer of any goods of any nature, to the Socialist Republic of Vietnam, Cambodia, or Cuba.]

* * * * * * *

[(b) Section 4 of the Foreign Disaster Assistance Act of 1974 is repealed.

[MISCELLANEOUS REPEALS

[SEC. 604. Sections 302(d), 302(e), 302(f), 302(g), 302(h) 304, 494A, 495A, 618, 619, 637(a), 649, 651, 655, 656, 658, and 665, and chapters 6 and 7 of part I, of the Foreign Assistance Act of 1961 are repealed.

[EFFECTIVE DATE

[SEC. 605. The amendments made by this Act shall take effect on October 1, 1978.]

[International Security Assistance Act of 1978

[Partial text of Public Law 95-384 [S. 3075], 92 Stat. 730, approved September 26, 1978, as amended by Public Law 97-113 [S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981

[NOTE.—Except for the provisions noted below, the International Security Assistance Act of 1978 consists of amendments to the Arms Export Control Act, the FA Act of 1961, the FA Act of 1974, the International Security Assistance Act of 1977, the International Security Assistance and Arms Export Control Act of 1976, the Mutual Security Act of 1954, the Foreign Military Sales Act Amendments, 1971, the Export Administration Act of 1969, and the Emergency Security Assistance Act of 1973.

[AN ACT To amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize international security assistance programs for fiscal year 1979, and for other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

[SHORT TITLE

[SECTION 1. This Act may be cited as the "International Security Assistance Act of 1978".

[* * * * * * *

[UNITED STATES POLICY REGARDING THE EASTERN MEDITERRANEAN

[SEC. 13. (a) Section 620(x) of the Foreign Assistance Act of 1961 shall be of no further force and effect upon the President's determination and certification to the Congress that the resumption of full military cooperation with Turkey is in the national interest of the United States and in the interest of the North Atlantic Treaty Organization and that the Government of Turkey is acting in good faith to achieve a just and peaceful settlement of the Cyprus problem, the early peaceable return of refugees to their homes and properties, and continued removal of Turkish military troops from Cyprus in the context of a solution to the Cyprus problem, and the early serious resumption of inter-communal talks aimed at a just, negotiated settlement.

[* * * * * * *

[ARMS TRANSFER POLICY

[SEC. 15. (a) * * *
[(b) * * * [Repealed—1981]

[* * * * * * *

[SPECIAL SECURITY ASSISTANCE PROGRAM FOR THE MODERNIZATION OF THE ARMED FORCES OF THE REPUBLIC OF KOREA

[SEC. 23. (a)(1) The President is authorized until December 31, 1982—

[(A) to transfer, without reimbursement, to the Republic of Korea, only in conjunction with the withdrawal of the 2d Infantry Division and support forces from Korea, such United

States Government-owned defense articles as he may determine which are located in Korea in the custody of units of the United States Army scheduled to depart from Korea; and

[(B) to furnish to the Republic of Korea, without reimbursement, defense services (including technical and operational training) in Korea directly related to the United States Government-owned defense articles transferred to the Republic of Korea under this subsection.

[(2) Any transfer under the authority of this section shall be made in accordance with all the terms and conditions of the Foreign Assistance Act of 1961 applicable to the furnishing of defense articles and defense services under chapter 2 of part II of that Act, except that no funds heretofore or hereafter appropriated under that Act shall be available to reimburse any agency of the United States Government for any such transfer or related services.

[(b) In order that transfers of defense articles under subsection (a) will not cause significant adverse impact on the readiness of the Armed Forces of the United States, the President is authorized, in lieu of such transfers, to transfer additional defense articles from the stocks of the Department of Defense, wherever located, to the Republic of Korea to compensate for the military capability of defense articles withdrawn from Korea in any case where he determines that—

[(1) the transfer of specific defense articles located in Korea would have a significant adverse impact on the readiness of the United States Armed Forces;

[(2) the defense capability provided by those defense articles is needed by the Armed Forces of the Republic of Korea in order to maintain the military balance on the Korean peninsula; and

[(3) a comparable defense capability could be provided by less advance defense articles in the stocks of the Department of Defense which could be transferred without significant adverse impact on the readiness of the United States Armed Forces.

[The President shall report to the Congress each determination made under this subsection prior to the transfer of the defense articles described in such determination.

[(c) The President shall transmit to the Congress, together with the presentation materials for security assistance programs proposed for each fiscal year through and including the fiscal year 1983, a report describing the types, quantities, and value of defense articles furnished or intended to be furnished to the Republic of Korea under this section.

[(d) * * * [Repealed—1981]

[(e)(1) It is the sense of the Congress that further withdrawal of ground forces of the United States from the Republic of Korea may seriously risk upsetting the military balance in that region and requires full advance consultation with the Congress.

[(2) * * * [Repealed—1981]

[UNITED STATES RELATIONS WITH THE SOVIET UNION

[SEC. 24. (a) The Congress finds and declares that a sound and stable relationship with the Soviet Union will help achieve the objectives of the Foreign Assistance Act of 1961 and the Arms Export Control Act, strengthen the security of the United States, and improve the prospects for world peace.

[(b) Therefore, it is the sense of the Congress that the President, in cooperation with the Congress and knowledgeable members of the public, should make a full review of United States policy toward the Soviet Union. This review should cover, but not be limited to—

[(1) an overall reevaluation of the objectives and priorities of the United States in its relations with the Soviet Union;

[(2) the evolution of and sources of all bargaining power of the United States with respect to the Soviet Union and how that bargaining power might be enhanced;

[(3) what linkages do exist and what linkages should or should not exist between various elements of United States-Soviet relations such as arms control negotiations, human rights issues, and economic and cultural exchanges;

[(4) the policies of the United States toward human rights conditions in the Soviet Union and how improved Soviet respect for human rights might be more effectively achieved;

[(5) the current status of strategic arms limitations talks and whether such talks should be continued in their present framework or terminated and renewed in some other forum;

[(6) the current status of other arms control negotiations between the United States and the Soviet Union;

[(7) the challenges posed by Soviet and Cuban involvement in developing countries and a study of appropriate policy responses and instruments to meet those challenges more effectively;

[(8) the impact of our relations with the People's Republic of China on our relations with the Soviet Union;

[(9) the impact of strategic parity on relations between the United States and the Soviet Union and on the ability of the United States to meet its obligation under the North Atlantic Treaty;

[(10) United States economic, technological, scientific, and cultural relations with the Soviet Union and whether those relations are desirable and should be continued, expanded, restricted, or linked to other aspects of relations between the United States and the Soviet Union;

[(11) the evolution of Soviet domestic politics and the relationship between Soviet domestic politics and its foreign policy behavior, especially towards the United States; and

[(12) what improvements should be made in the institutions and procedures of United States foreign policy in order to ensure a coherent and effective policy towards the Soviet Union.

[(c) * * * [Repealed—1981]

[REPORT ON REVIEW OF ARMS SALES CONTROLS ON NON-LETHAL ITEMS

[SEC. 25. * * * [Repealed—1981]

[UNITED STATES-REPUBLIC OF CHINA MUTUAL DEFENSE TREATY

[SEC. 26. (a) The Congress finds that—

[(1) the continued security and stability of East Asia is a matter of major strategic interest to the United States;

[(2) the United States and the Republic of China have for a period of twenty-four years been linked together by the Mutual Defense Treaty of 1954;

[(3) the Republic of China has during that twenty-four-year period faithfully and continually carried out its duties and obligations under that treaty; and

[(4) it is the responsibility of the Senate to give its advice and consent to treaties entered into by the United States.

[(b) It is the sense of the Congress that there should be prior consultation between the Congress and the executive branch on any proposed policy changes affecting the continuation in force of the Mutual Defense Treaty of 1954.

[RHODESIA EMBARGO

[SEC. 27. * * * [Repealed—1981]

[NEGOTIATIONS BETWEEN ISRAEL AND EGYPT

[SEC. 28. (a) The Congress finds that—

[(1) a lasting settlement of the Arab-Israel conflict is vital to United States national interests as well as to the interests of the countries of the region;

[(2) support for a strong and secure Israel and the maintenance for this purpose of Israel's effective defense capabilities as essential to peace remains a fundamental tenet of United States foreign policy;

[(3) direct, fact-to-face negotiations between Israel and Egypt without preconditions is a historic opening for peace, and the support of such negotiations by other moderate Arab countries, can best promote a peace settlement based on mutual concessions and accommodations;

[(4) the establishment of secure, recognized, and defensible borders between Israel and its neighbors will discourage hostilities; and

[(5) full, normalized relations between Israel and its Arab neighbors, including trade, travel, tourism, communications, and diplomatic relations are vital for peace.

[(b) It is the sense of the Congress that the Government of the United States should continue to promote direct negotiations between Israel and Egypt and to encourage other Arab countries to enter into negotiations leading to peace treaties with Israel.

[(c) It is further the sense of the Congress that the United States should be responsive to Israel's economic needs and defense requirements, including the provision of additional advanced aircraft, in order to maintain Israel's defense capability which is essential to peace.

[* * * * * * *

[SAVINGS PROVISION

[SEC. 30. Enactment of this Act shall not affect the authorizations of appropriations and limitations of authority applicable to the fiscal year 1978 which are contained in provisions of law amended by this Act (other than sections 31 (a), (b), and (d) of the Arms Export Control Act).]

[International Development and Food Assistance Act of 1977

* * * * * * *

[TITLE I—INTERNATIONAL DEVELOPMENT ASSISTANCE

[* * * * * * *

[INSPECTOR GENERAL, FOREIGN ASSISTANCE

9SEC. 124. (a)(1) * * *

[(2) * * * [Repealed—1981]

[(b) Section 5315 of title 5, United States Code, is amended by repealing paragraphs (52) and 53).

[(c) The amendments made by this section shall take effect on July 1, 1978.

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[FUTURE UNITED STATES DEVELOPMENT ASSISTANCE

[SEC. 131. It is the sense of the Congress that the United States should increase substantially its assistance for self-help development among the world's poorest people. Such assistance should be provided in accordance with the general policies and principles of chapter 1 of part I of the Foreign Assistance Act of 1961, with particular emphasis on encouraging and supporting more equitable patterns of economic growth, especially in the poorest countries, and should be coordinated with similar expanded efforts by international organizations, donor nations, and the recipient countries themselves.

[LIMITATION ON USE OF FUNDS; MISSING IN ACTION IN VIETNAM

[SEC. 132. * * * [Repealed—1981]]

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[TITLE II—FOOD FOR PEACE

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[STUDY OF PAYMENTS OF OCEAN FREIGHT DIFFERENTIALS

[SEC. 214. * * * [Repealed—1981]

[EFFECTIVE DATE

[SEC. 215. The provisions of this title shall become effective October 1, 1977.]

[International Security Assistance Act of 1977

[Partial text of Public Law 95-92 [H.R. 6684], 91 Stat. 614, approved August 4, 1977, as amended by Public Law 95-384 [International Security Assistance Act of 1978, S. 3075], 92 Stat. 730 at 747, approved September 26, 1978; and by Public Law 97-113 [International Security and Development Cooperation Act of 1981, S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981.

[NOTE.—Except for the provisions noted below, the International Security Assistance Act of 1977 consists of amendments to the Arms Export Control Act and the FA Act of 1961.

[AN ACT To amend the Foreign Assistance Act of 1961 to authorize international security assistance programs for fiscal year 1978, to amend the Arms Export Control Act to make certain changes in the authorities of that Act, and for other purposes.

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SHORT TITLE

[SECTION 1. This Act may be cited as the "International Security Assistance Act of 1977".

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[SECURITY SUPPORTING ASSISTANCE PROGRAM FOR EGYPT

[SEC. 9. It is the sense of the Congress that the security supporting assistance program for Egypt plays an important role in the Middle East peace effort and that the Executive branch should concentrate its efforts in order to make the program a success.

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[PROHIBITION ON ASSISTANCE FOR NUCLEAR POWERPLANTS

[SEC. 14.* * *

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[FISCAL YEAR 1977 AUTHORIZATIONS AND LIMITATIONS

[SEC. 21. Authorizations of appropriations and limitations of authority applicable to the fiscal year 1977 contained in provisions of law amended by this Act shall not be affected by enactment of this Act.

[ASSISTANCE AND SALES TO GREECE AND TURKEY

[SEC. 22. * * * [Repealed—1981]

[ARMS SALES AND UNITED STATES DEFENSE READINESS

[SEC. 23. * * * [Repealed—1978]

[STUDY OF TECHNOLOGY TRANSFERS

[Sec. 24. (a) The President shall conduct a comprehensive study of the policies and practices of the United States Government with respect to the national security and military implications of international transfers of technology in order to determine whether such policies and practices should be changed. Such study shall examine—

[(1) the nature of technology transfer;

[(2) the effect of technology transfers on United States technological superiority;

[(3) the rationale for transfers of technology from the United States to foreign countries;

[(4) the benefits and risks of such transfers;

[(5) trends in technology transfers by the United States and other countries;

[(6) the need for controls on transfers of technology, including controls on the use of transferred technology, the effectiveness of existing end-use controls, and possible unilateral sanctions if end-use restrictions are violated;

[(7) the effectiveness of existing organizational arrangements in the Executive branch in regulating technology transfers from the United States.

[(8) the adequacy of existing legislation and regulations with respect of technology from the United States; and

[(9) the possibilities for international agreements with respect to transfers of technology.

[(b) In conducting the study required by subsection (a), the President shall utilize the resources and expertise of the Arms Control and Disarmament Agency, the Department of State, the Department of Defense, the Department of Commerce, the National Science Foundation, the Office of Science and Technology Policy, and such other entities within the Executive branch as he deems necessary.

[(c) * * * [Repealed—1981]

[POLICY ON ZAIRE

[Sec. 25. [Repealed—181]

[POLICY STATEMENT ON UNITED STATES ARMS SALES TO ISRAEL

[Sec. 26. In accordance with the historic special relationship between the United States and Israel and previous agreements and continuing understandings, the Congress joins with the President in reaffirming that a policy of restraint in United States arms transfers, including arms ceilings, shall not impair Israel's deterrent strength or undermine the military balance in the Middle East.

[REVIEW OF ARMS SALES CONTOLS ON NON-LETHAL ITEMS

[Sec. 27. The President shall undertake a review of all regulations relating to arms control for the purpose of defining and cetegorizing lethal and non-lethal products and establishing the appropriate level of control for each category.

[REPUBLIC OF KOREA

[SEC. 28. (a)(1) It is the sense of the Congress that the President should take all effective measures to assure that the Republic of Korea is cooperating fully with the investigation (including any resulting prosecutions) being conducted by the Department of Justice with respect to allegations activity in the United States by agents of the Republic of Korea.

[(2) * * * [Repealed—1981]

[(b) It is the further sense of the Congress that the President should take all effective measures to assure that the Republic of Korea is cooperating fully with the investigations conducted by committees of Congress.

[PIASTER CONVERSION

[SEC. 29. No provison of law shall be construed to prevent payment of claims of former and present Vietnamese employees of the Agency for International Development, who presently reside in the United States, for the conversion of Vietnamese piasters to dollars because such conversion cannot take place in the territory of the former Republic of Vietnam or because the official with whom such piasters were deposited was not a United States disbursing officer.]

[International Security Assistance and Arms Export Control Act of 1976

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[INTERNATIONAL MILITARY EDUCATION AND TRAINING

[SEC. 106. (a) * * *

[(b) * * *

[(c) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of any provision of law amended or repealed by this section shall continue in full force and effect until modified, revoked, or superseded by appropriate authority.

[(d) Funds made available pursuant to other provisions of law for foreign military educational and training activities shall remain available for obligation and expenditure for their original purposes in accordance with the provisions of law originally applicable to those purposes or in accordance with the provisions of law currently applicable to those purposes.

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[ARMS SALES POLICY

[SEC. 201. (a) * * *]

[SEC. 202. (a) * * *

[(b) * * * [Repealed—1978]

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[CONTROL OF LICENSES WITH RESPECT TO ARMS EXPORTS AND IMPORTS

[SEC. 212. (a) * * *]

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[REPORT ON SALES OF EXCESS DEFENSE ARTICLES

[SEC. 217. * * * [Repealed—1978]

[STUDY OF THE EFFECTS OF ARMS EXPORT CONTROL PROVISIONS

[SEC. 218. * * * [Repealed—1978]

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[LIMITATION ON CERTAIN ASSISTANCE TO AND ACTIVITIES IN ANGOLA

[SEC. 404. * * * [Repealed—1980]]

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[LIMITATIONS ON ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, SALES, AND SALES CREDITS FOR CHILE

[SEC. 406. * * * [Repealed—1981]

[CONTROL OF MILITARY FORCES IN THE INDIAN OCEAN

[SEC. 407. It is the sense of Congress that the President should undertake to enter into negotiations with the Soviet Union intended to achieve an agreement limiting the deployment of naval, air, and land forces of the Soviet Union and the United States in the Indian Ocean and littoral countries. Such negotiations should be convened as soon as possible and should consider, among other things, limitations with respect to—

[(1) the establishment or use of facilities for naval, air, or land forces in the Indian Ocean and littoral countries;

[(2) the number of naval vessels which may be deployed in the Indian Ocean, or the number of "shipdays" allowed therein; and

[(3) the type and number of military forces and facilities allowed therein.

[(b) * * * [Repealed—1978]

[UNITED STATES CITIZENS IMPRISONED IN MEXICO

[SEC. 408. (a) The Congress, while sharing the concern of the President over the urgent need for international cooperation to restrict traffic in dangerous drugs, in convinced that such efforts must be consistent with respect to fundamental human rights. The Congress, therefore, calls upon the President to take steps to insure that the United States efforts to secure stringent international law enforcement measures are combined with efforts to secure fair and humane treatment for citizens of all countries.

[(b) The Congress requests that the President communicate directly to the President and Government of the Republic of Mexico, a nation with which we have friendly and cooperative relations, the continuing desire of the United States for such relations between our two countries and the concern of the United States over treatment of United States citizens arrested in Mexico.

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[(2) * * * [Repealed—1978]

[EMERGENCY FOOD NEEDS OF PORTUGAL

[SEC. 409. It is the sense of the Congress that the President should undertake immediately an evaluation of the emergency food needs of Portugal. It is further the sense of the Congress that the President should take timely action to alleviate such emergency by providing Portugal with food commodities under the provisions of pertinent statutes.

STRIFE IN LEBANON

[SEC. 410. It is the sense of the Congress that the situation in Lebanon, a nation traditionally friendly to the United States, poses a danger to peace in the Middle East. The Congress deplores the armed civil strife and continuing erosion of national institutions which threaten to destroy the political and economic fabric of Lebanon with such tragic impact on all its people. The Congress views with grave concern any outside efforts to exploit the current strife with the purpose of transforming Lebanon into a radical state in confrontation with Israel. The Congress requests that the President use his good offices to secure an end to the civil strife and national discord in Lebanon and to preserve the traditional friendly attitude of Lebanon toward the United States.

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[KOREA

[SEC. 412. The Congress views with distress the erosion of important civil liberties in the Republic of Korea and requests that the President communciate this concern in forceful terms to the Government of the Republic of Korea within sixty days after enactment.

[REPEAL OF INDOCHINA ASSISTANCE

[SEC. 413. (a) Part V of the Foreign Assistance Act of 1961 and sections 34, 35, 36, 37, 38, 39, and 40 of the Foreign Assistance Act of 1974 are repealed. All determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of any provision of law repeal by this section shall continue in full force and effect until modified, revoked, or superseded by appropriate authority.

[(b) Subject to the availability of appropriations therefore, the President is authorized to adopt as a contract of the United States Government, and assume any liabilities arising thereunder (in whole or in part), any contract which had been funded or approved for funding by the Agency for International Development prior to June 30, 1975, for financing with funds made available under the Foreign Assistance Act of 1961 or the Foreign Assistance Act of 1974, or any equitable claim based upon a letter of intent issued prior to April 30, 1975, in which the Agency had expressed its intention to finance a transaction subject to the availability of funds, between the former Governments of Vietnam or Cambodia (including any of their agencies) or the Government of Laos (or any of its agencies) and any person and to apply with respect to any such contract the authorities of the Foreign Assistance Act of 1961.

[(c) Funds made available for the purposes of part V of the Foreign Assistance Act of 1961 and of section 36 of the Foreign Assistance Act of 1974 (including amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955 (31 U.S.C. 200), as having been obligated against appropriations heretofore made) are authorized to be appropriated, and thereafter, to remain available until expended, to meet necessary expenses arising from the actions authorized by subsection (b) of this section and such funds are authorized to remain available until expended to meet necessary expenses arising from the termination of assistance programs authorized by such part and such section 36, which expenses may include but need not be limited to the settlement of claims and associated personnel costs

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[INTERIM QUARTER AUTHORIZATIONS

[SEC. 506. (a) Any authorization of appropriations in this Act, or in any amendment to any other law made by this Act, for the fiscal year 1976, shall be deemed to include an additional authorization of appropriations for the period beginning July 1, 1976, and ending September 30, 1976, in amounts which equal one-fourth of any amount authorized for the fiscal year and in accordance with the authorities applicable to operations and activities authorized under this Act or such other law, unless appropriations for the same purpose are specifically authorized in a law hereinafter enacted.

[(b) The aggregate total of credits, including participations in credits, extended pursuant to the Arms Export Control Act and of the principal amount of loans guaranteed pursuant to section 24(a) of such Act during the period beginning July 1, 1976, and ending September 30, 1976, may not exceed an amount equal to one-fourth of the amount authorized by section 31(b) of such Act to be extended and guranteed for the fiscal year 1976.

[BASE AGREEMENTS WITH SPAIN, GREECE, AND TURKEY

[SEC. 507. * * * [Repealed—1981]]

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[PROCUREMENTS FROM SMALL BUSINESS

[SEC. 602. In order to encourage procurements from small business concerns under chapter 4 of the Foreign Assistance Act of 1961, the Administrator of the Agency for International Development shall report to the Congress every six months on the extent to which small businesses have participated in procurements under such chapter and on what efforts the Agency has made to foster such procurements from small business concerns. The Small Business Administration shall lend all available assistance to the Agency for the purpose of carrying out this section.

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[USE OF PERSONNEL

[SEC. 605. (a) Nothing in this Act is intended to authorize any additional military or civilian personnel for the Department of Defense for the purposes of this Act, the Foreign Assistance Act of 1961, or the Arms Export Control Act. Personnel levels authorized in statutes authorizing appropriations for military and civilian personnel of the Department of Defense shall be controlling over all military and civilian personnel of the Department of Defense assigned to carry out functions under the Arms Export Control Act and the Foreign Assistance Act of 1961.

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[EXTORTION AND ILLEGAL PAYMENTS

[SEC. 607. Within 60 days after receiving information which substantiates that officials of a foreign country receiving international security assistance have (1) received illegal or otherwise improper payments from a United States corporation in return for a contract to purchase defense articles or services from such corporation, or (2) extorted, or attempted to extort, money or other things of value in return for actions by officials of that country that permit a United States citizen or corporation to conduct business in that country, the President shall submit to Congress a report outlining the circumstances of such payment or extortion. The report shall contain a recommendation from the President as to whether the United States should continue a security assistance program for that country.]

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[International Development and Food Assistance Act of 1975

[Partial text of Public Law 94-161 [H.R. 9005], 89 Stat. 849, approved December 20, 1975 as amended by Public Law 97-113 [S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981

[NOTE.—Except for the provisions noted below, the International Development and Food Assistance Act of 1975 consists of amendments to the FA Act of 1961, the FA Act of 1974, and the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480).

[AN ACT To authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "International Development and Food Assistance Act of 1975".

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[REPORT REGARDING IMPLEMENTATION OF RECOMMENDATIONS OF WORLD FOOD CONFERENCE

[SEC. 213. * * * [Repealed—1981]

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[LIMITATION ON ASSISTANCE TO CHILE

[SEC. 320. Notwithstanding any other provision of law, the total amount of economic assistance (including but not limited to housing guaranties and sales under title I of the Agricultural Trade Development and Assistance Act of 1954) that may be made available to Chile may not exceed $90,000,000 during the fiscal year 1976.

[SETTLEMENT OF DEBT OWED THE UNITED STATES

[SEC. 321. No debt owed to the United States by any foreign country with respect to the payment of any loan made under any program funded under this Act may be settled in an amount less than the full amount of such debt unless the Congress by concurrent resolution approves of such settlement.

[PARTICIPATION BY OTHER COUNTRIES IN PROVIDING ASSISTANCE TO ISRAEL OR EGYPT

[SEC. 322. It is the sense of the Senate that the President should attempt to negotiate an equitable share of participation by the countries of Western Europe, Japan, and the United Nations in providing assistance to Israel or Egypt.]

[Foreign Assistance Act of 1974

[Partial text of Public Law 93-559 [S. 3394], 88 Stat. 1795, approved December 30, 1974, as amended by Public Law 94-329 [International Security Assistance and Arms Export Control Act of 1976, H.R. 13680], 90 Stat. 729 at 761, approved June 30, 1976; and by Public Law 97-113 [S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981

[NOTE.—Except for the provisions noted below, the FA Act of 1974 consists of amendments to the FA Act of 1961, the Foreign Military Sales Act, and the 1971 Act to amend the FMS Act.

[An ACT To amend the Foreign Assistance Act of 1961, and for other pruposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Foreign Assistance Act of 1974".

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[CEILING ON FERTILIZERS TO SOUTH VIETNAM

[SEC. 3. * * * [Repealed—1981]

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[REVIEW OF MILITARY ASSISTANCE PROGRAM

[SEC. 17. * * * [Repealed—1978]

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[LIMITATION UPON ASSISTANCE TO OR FOR CHILE

[SEC. 25. * * * [Repealed—1981]

[LIMITATION ON MILITARY ASSISTANCE AND EXCESS DEFENSE ARTICLE TO KOREA

[SEC. 26. * * * [Repealed—1981]

[LIMITATION ON ASSISTANCE FOR INDIA

[SEC. 27. * * * [Repealed—1981]

[FAMINE OR DISASTER RELIEF

[SEC. 28. (a) * * *

[(b) Of the funds appropriated to carry out section 639 of the Foreign Assistance Act of 1961, during fiscal year 1975 not less than $25,000,000 shall be made available to Cyprus for the purposes of such section 639.

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[SEC. 34. * * * [Repealed—1976]
[SEC. 35. * * * [Repealed—1976]
[SEC. 36. * * * [Repealed—1976]
[SEC. 37. * * * [Repealed—1976]
[SEC. 38. * * * [Repealed—1976]
[SEC. 39. * * * [Repealed—1976]
[SEC. 40. * * * [Repealed—1976]

[NUCLEAR POWERPLANTS

[* * * * * * *

[SEC. 43. * * * [Repealed—1981]

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[GORGAS MEMORIAL INSTITUTE

[SEC. 47. The first section of the Act entitles "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial", approved May 7, 1928, is amended by striking out "$500,000" and inserting "$2,000,000" in lieu thereof.

[INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION IN VIETNAM

[SEC. 48. (a) There are authorized to be appropriated to the Department of State for fiscal year 1975 not to exceed $16,526,000 for payments by the United States to help meet expenses of the International Commission of Control and Supervision in Vietnam. Funds appropriated under this subsection are authorized to be made available for reimbursement to the Agency for International Development of amounts expended by the Agency during fiscal year 1975 as interim United States payments to help meet expenses of the International Commission of Control and Supervision.

[(b) There are authorized to be appropriated to the Department of State not to exceed $11,200,000 for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development to help meet expenses of the International Commission on Control and Supervision in fiscal year 1974.

[(c) Reimbursements received by the Agency for International Development under this section may be credited to applicable appropriations of the Agency and shall be available for the purposes for which such appropriations are authorized to be used during fiscal year 1975.

[POLICY ON ASSISTANCE TO AFRICA

[Sec. 49. * * * [Repealed—1981]

[POLICY ON THE INDEPENDENCE OF ANGOLA, MOZAMBIQUE, AND GUINEA-BISSAU

[Sec. 50. (a)(1) Congress finds that the Government of Portugal's recognition of the right to independence of the African territories of Angola, Mozambique, and Guinea-Bissau marks a significant advance toward the goal of self-determination for all the peoples of Africa, without which peace on the continent is not secure.

[(2) Congress finds that progress toward independence for the Portugese African territories will have a significant impact on the international organizations and the community of nations.

[(3) Congress commends the Portuguese Government's initiatives on these fronts as evidence of a reaffirmation of that Government's support for her obligations under both the United Nations Charter and the North Atlantic Treaty Organizations.

[(b) Therefore, Congress calls upon the President and the Secretary of State to take the following actions designed to make clear United States support for a peaceful and orderly transition to independence in the Portuguese African territories:

[(1) An official statement should be issued of United States support for the independence of Angola, Mozambique, and Guinea-Bissau, and of our desire to have good relations with the future governments of the countries.

[(2) It should be made clear to the Government of Portugal that we view the efforts toward a peaceful and just settlement of the conflict in the African territories as consistent with Portugal's obligations under the North Atlantic Treaty Organization partnership.

[(3) The United States should encourage United Nations support for a peaceful transition to independence, negotiated settlement of all differences, and the protection of human rights of all citizens of the three territories.

[(4) The United States should open a dialog with potential leaders of Angola, Mozambique, and Guinea-Bissau and assure them of our commitment to their genuine political and economic independence.

[(5) The economic development needs of the three territories will be immense when independence is achieved. Therefore, it is urged that the United States Agency for International Development devote attention to assessing the economic situation in Angola, Mozambique, and Guinea-Bissau and be ready to cooperate with the future governments in providing the kind of assistance that will help make their independence viable. In addition, the United States Government should take the iniative among other donors, both bilateral and multilateral, in seeking significant contribution of development assistance for the three terrorities.

[(6) In light of the need of Angola, Mozambique, and Guinea-Bissau for skilled and educated manpower, a priority consideration should be given to expanding current United States programs of educational assistance to the terrorities as a timely and substantive contribution to their independence.

[(c) * * * [Repealed—1981]

[CONVENTIONAL ARMS TRADE

[SEC. 51. (a) It is the sense of the Congress that the recent growth in international transfers of conventional arms to developing nations—

[(1) is a cause for grave concern for the United States and other nations in that in particular areas of the world it increases the danger of potential violence among nations, and diverts scarce world resources from more peaceful users; and

[(2) could be controlled progressively through negotiations and agreements among supplier and recipient nations.

[(b) Therefore, the President is urged to propose to the Geneva Conference of the Committee on Disarmament that it considers as a high priority agenda item discussions among participating nations of that Conference for the purposes of—

[(1) agreeing to workable limitations on conventional arms transfers; and

[(2) establishing a mechanism through which such limitations could be effectively monitored.

[(c) * * * [Repealed—1981]

[INVOLVEMENT OF PUERTO RICO IN THE CARIBBEAN DEVELOPMENT BANK

[SEC. 52. (a) The President may transmit to the Caribbean Development Bank an instrument stating that the Commonwealth of Puerto Rico has the authority to conclude an agreement of accession with such Bank and to assume rights and obligations pursuant to such agreement. However, such agreement may only be concluded after it has been approved by the United States Secretary of State.

[(b) The instrument transmitted by the President to the Caribbean Development Bank under subsection (a) shall state that the United States shall not assume any financial or other responsibility for the performance of any obligation incurred by the Commonwealth of Puerto Rico pursuant to such agreement of accession or pursuant to any other aspect of its membership or participation in such Bank.

[(c) Such agreement of accession shall provide that the Commonwealth of Puerto Rico may not receive from the Caribbean Development Bank any funds provided to the Bank by the United States.

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[POLICY WITH RESPECT TO COUNTRIES MOST SERIOUSLY AFFECTED BY FOOD SHORTAGES

[SEC. 55. (a) The United Nations has designated thirty-two countries as "Most Seriously Affected" by the current economics crisis. These are countries without the internal food production capability or the foreign exchange availability to secure food to meet their immediate food requirements. The Congress calls upon the President and Secretary of State to take the following actions designed to mobilize appropriate resources to meet the food emergency:

[(1) Review and make appropriate adjustments in the level of programming of our food and fertilizer assistance programs with the aim of increasing to the maximum extent feasible the volume of food and fertilizer available to those countries most seriously affected by current food shortages.

[(2) Call upon all traditional and potential new donors of food, fertilizer, or the means financing these commodities to immediately increase their participation in efforts to address the emergency food needs of the developing world.

[(3) Make available to these most seriously affected countries the maximum feasible volume of food commodities, with appropriate regard to the current domestic price and supply situations.

[(4) Maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation on steps which are being taken to help meet this food emergency. In accordance with this provision, the President shall report to the Congress on a global assessment of food needs for fiscal year 1975, specifying expected food grain deficits and currently planned programming of food assistance, and steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance. Such report should reach the Congress promptly and should be supplemented quarterly for the remainder of fiscal year 1975.

[(5) The Congress directs that during the fiscal year ending June 30, 1975, not more than 30 percent of concessional food aid should be allocated to countries other than those which are most seriously affected by current food shortages, unless the President demonstrates to the appropriate Committees of the Congress that use of such food assistance is solely for humanitarian food purposes.

[(6) The Congress calls upon the President to proceed with the implementation of resolutions and recommendations adopted by the World Food Conference. The Congress believes that it is incumbent upon the United States to take a leading role in assisting in the development of a viable and coherent world food policy which would begin the task of alleviating widespread hunger and suffering prevalent in famine-stricken nations. The President shall report to the Congress within 120 days of enactment of this Act on the implementation of the resolutions and the extent to which the United States is participating in the implementation of resolutions adopted at the World Food Conference.

[REPAYMENT OF LOANS IN DEFAULT

[SEC. 56. It is the sense of the Congress that any country receiving assistance under the Foreign Assistance Act of 1961 which is in default, at least 90 days prior to the date of enactment of this Act, of any payment of principal or interest due on any loan or credit received from the United States shall promptly pay all such principal and interest. It is further the sense of the Congress that the President shall promptly enter into negotations with each such country to such effectuate the payment of such principal and interest, or to effectuate the transfer by such country to the United States of goods, services, concessions, or actions beneficial to the United States, in lieu of the payment of such principal and interest.]

[Foreign Assistance Act of 1973

[Partial text of Public Law 93-189 [S. 1443], 87 Stat. 714, approved December 17, 1973, as amended by Public Law 97-113 [S. 1196], 95 Stat. 1519 at 1560, approved December 29, 1981

[* * * * * * *

[NOTE.—Except for the provisions noted below, the FA Act of 1973 consists of amendments to the FA Act of 1961, the Foreign Military Sales Act, the 1971 Act of amend the FMS Act, and Sec. 414 of the Mutual Security Act of 1954.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Foreign Assistance Act of 1973".

[* * * * * * *

[ASIAN DEVELOPMENT BANK

[SEC. 28. Section 17 of the Asian Development Bank Act is amended by striking out "$60,000,000 for fiscal year 1972 and $40,000,000 for fiscal year 1973" and inserting in lieu thereof $100,000,000".

[SEC. 29. * * * [Repealed—1974]

[TERMINATION OF INDOCHINA WAR

[SEC. 30. No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia.

[LIMITATION ON USE OF FUNDS

[SEC. 31. No funds authorized or appropriated under any provision of law shall be made available for the purpose of financing directly or indirectly any military or paramilitary combat operations by foreign forces in Loas, Cambodia, North Vietnam, South Vietnam, or Thailand unless (1) such operations are conducted by the forces of that government receiving such funds within the borders of that country, or (2) specifically authorized by law enacted ater the date of enactment of this Act.

[POLITICAL PRISONERS

[SEC. 32. It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

[ALBERT SCHWEITZER HOSPITAL

[SEC. 33. There is authorized to be appropriated to the President for fiscal year 1974 $1,000,000 [5] to make grants, on such terms and conditions as he may specify, to the Albert Schweitzer Hospital in Gabon.

[PRISONERS OF WAR AND INDIVIDUALS MISSING IN ACTION

[SEC. 34. (a) The Congress declares that—

[(1) the families of those one thousand three hundred individuals missing in action during the Indochina conflict have suffered extraordinary torment in ascertaining the full and complete information about their loved ones who are formally classifed as missing in action;

[(2) United States involvement in the Indochina conflict has come to a negotiated end with the signing of the Vietnam Agreement in Paris on January 27, 1973, and section 307 of the Second Supplemental Appropriations Act, 1973, requires that "None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam or off the shores of Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated under any other Act may be expended for such purposes.";

[(3) the question of the return of prisoners of war and accounting for individuals missing in action and dead in Laos is covered by article 18 of the Protocol signed by representatives of the Lao Patriotic Front (Pathet Lao) and the Royal Laotian Government in Vientiane on September 14, 1973 (which implements article 5 of the Agreement signed by the Pathet Lao and that government in Vientiane on February 21, 1973, requiring the release of all prisoners "regardless of nationality captured and held in Laos), and paragraph C of such article 18 provides that, within "15 to 30 days" from the date of the signing of the Protocol, each side is to report the number of those prisoners and individuals still held, with an indication of their nationality and status, together with a list of a names and any who died in captivity; and

[(4) few of the United States men lost in Laos during the military engagements in Indochina have been returned, and with knowledge about many of these men not yet being fully disclosed, and the North Vietnam cease-fire provisisons calling for inspection of crash and grave sites and for other forms of cooperation have not been fully complied with.

[(b) It is , therefore, the sense of the Congress that—

[(1) the provisions for the release of prisoners and an accounting of individuals missing and dead, as provided for in article 18 of the Protocol signed on September 14, 1973, by the Pathet Lao and the Royal Laotian Government, be adhered to in spirit and in deed; and

[(2) the faithful compliance with the spirit of the Laotian Agreement and Protocol on the question of individuals missing in action will encourage all parties in Indochina to cooperate in providing complete information on all nationals of any nation who may be captured or missing at any place in Indochina.

[RIGHTS IN CHILE

[SEC. 35. It is the sense of the Congress that (1) the President should request the Government of Chile to protect the human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, the Convention and Protocol Relating the Status of Refugees, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and the humane treatment or release of prisoners; (2) the President should support international humanitarian initiatives by the United Nations High Commissioner for Refugees and the International Committee of the Red Cross to insure the protection and safe conduct and resettlement of political refugees, the humane treatment of political prisoners, and the full inspection of detention facilities under international auspices; (3) the President should support and facilitate efforts by voluntary agencies to meet emergency relief needs; and (4) the President should request of the Inter-American Commission on Human Rights to undertake an immediate inquiry into recent events occurring in Chile.

[REVISION OF SOCIAL PROGRESS TRUST FUND AGREEMENT

[SEC. 36. (a) The President or his delegate shall seek, as soon as possible, a revision of the Social Progress Trust Fund Agreement (dated June 19, 1961) between the United States and the Inter-American Development Bank. Such revision should provide for the—

[(1) periodic transfer of unencumbered capital resources of such trust fund, and of any future repayments or other accruals otherwise payable to such trust fund, to the Inter-American Foundation, to be administered by the Foundation for purposes of part IV of the Foreign Assistance Act of 1969 (22 U.S.C. 290f and following);

[(2) utilization of such unencumbered capital resources, future repayments, and other accruals by the Inter-American Development Bank for purposes of sections 1 and 2 of the Latin American Development Act (22 U.S.C. 1942 and 1943) in such a way that the resources received in the currencies of the more developed member countries are utilized to the extent possible for the benefit of the lesser developed member countries; or

[(3) both the transfer described in paragraph (1) and the utilization described in paragraph (2).

[(b) Any transfer or utilization under this section shall be in such proportions as may be agreed to between the United States and the Inter-American Development Bank.

[(c) Any transfer under subsection (a)(1) shall be in the amounts, and in available currencies, determined in consultation with the Inter-American Foundation, to be required for its program purposes.

[(d) The revision of the Social Progress Trust Fund Agreement pursuant to this section shall provide that the President or his delegate shall specify from time to time, after consultation with the Inter-American Development Bank, the particular currencies to be used in making the transfer or utilization described in the section.

[(e) * * * [Repealed—1981]

[PROHIBITION ON ASSISTANCE TO NORTH VIETNAM

[SEC. 37. * * * [Repealed—1981]

[REPORT CONCERNING CERTAIN USE OF MILITARY ASSISTANCE IN AFRICA

[SEC. 38. * * * [Repealed—1981]

[WORLD FOOD SHORTAGES

[SEC. 39. (a) It is the sense of the Congress that the United States should participate fully in efforts to alleviate current and future food shortages which threaten the world. To this end, the President shall—

[(1) encourage, support, and expedite studies relating to the long-range implications of the world food situation (including studies of national and world production, distribution, and utilization of agricultural commodities and other foodstuffs) and support the organizing of a world food conference under United Nations auspices in 1974;

[(2) request the member nations of the General Agreement on Tariffs and Trade to explore the means of assuring equitable access by all nations to national markets and mineral and agricultural resources;

[(3) Consult and cooperate with appropriate international agencies, such as the Food and Agricultural Organization of the United Nations, in determining the need for, the feasibility of, and cost of an equitably-shared basis of, establishing an international system of strategic food reserves; and

[(4) report his findings and recommendations to the Congress on the implementation of this section no later than December 31, 1974.

[(b) It is further the sense of the Congress that—

[(1) in making assessments which would affect or relate to the level of domestic production, the Executive Branch should include in the estimates of overall utilization the expected demands for humanitarian food assistance through such programs as are carried out under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480); and

[(2) legislation providing increased flexibility for responding to emergency and humanitarian requirements for food assistance should be considered as promptly as possible to the end that the last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), may be amended by striking the period and inserting in lieu thereof a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act."

[USE OF LOCAL CURRENCIES

[SEC. 40. Effective July 1, 1974, no amount of any foreign currency (including principal and interest from loan repayments) which accrues in connection with any sale for foreign currency under any provision of law may be used under any agreement entered into after the date of the enactment of this Act, or any revision or extension entered into after such date of any prior or subsequent agreement, to provide any assistance to any foreign country to procure equipment, materials, facilities, or services for the common defense, including internal security unless such agreement is specifically authorized by legislation enacted after such date.]

[Foreign Assistance Act of 1971

[Partial text of Public Law 92-226 [S. 2819], 86 Stat. 20, approved February 7, 1972

[AN ACT To amend the Foreign Assistance Act of 1961, and for other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Foreign Assistance Act of 1971".

[NOTE.—Except for the provisions quoted here, the FA Act of 1971 consists of amendments to the FA Act of 1961, the Foreign Military Sales Act, the 1971 Act to amend the FMS Act, the Act to authorize participation by the United States in the Interparliamentary Union, the Joint Resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization, Part IV of the FA Act of 1969, the Act to provide certain basic authority for the Department of State, the United States Information and Educational Exchange Act of 1948, the Special FA Act of 1971, and Public Law 89-367 (Armed Forces Appropriation Authorization, 1966).

[FOOD-FOR-PEACE PROGRAM

[SEC. 2. It is the sense of the Congress that funds to administer the food-for-peace program should not be reduced as the result of any reduction in the authorizations provided to carry out the Foreign Assistance Act of 1961.

[* * * * * * *

[SEC. 304. * * *

[(c) * * *

[(3) The provisions of this subsection and section 657 of such Act, as added by subsection (b) of this Act, shall apply with respect to each fiscal year commencing on or after July 1, 1971.

[PART IV—MISCELLANEOUS PROVISIONS

[* * * * * * *

[SEC. 403. Paragraph (9) of section 5314 of title 5, United States Code, relating to level III of the Executive Schedule, is amended by inserting before the period at the end thereof the following: "and an Under Secretary of State for Coordinating Security Assistance Programs".

[* * * * * * *

[SEC. 407. (a) It is the purpose of this section to enable the Congress generally, and the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives in particular, to carry out the purposes and intent of the Legislative Reorganization Acts of 1946 and 1970, with respect to—

[(1) the analysis, appraisal, and evaluation of the application, administration, and execution of the laws relating to the Department of State and the United States Information Agency and of matters relating to the foreign relations of the United States; and

[(2) providing periodic authorizations of appropriations for that Department and Agency.

[* * * * * * *

[SEC. 410. The Congress strongly urges the President to undertake such negotiations as may be necessary to implement that portion of the recommendations of the Report to the President's Commission for the Observance of the Twenty-fifth Anniversary of the United Nations (known as the "Lodge Commission") which proposes that the portion of the regular assessed costs to be paid by the United States to the United Nations be reduced so that the United States is assessed in each year not more than 25 per centum of such costs assessed all members of the United Nations for the year.]

[Special Foreign Assistance Act of 1971, as amended

[Partial text of Public Law 91-652 [H.R. 19911), 84 Stat. 1942, approved January 5, 1971, as amended by Public Law 92-226 [Foreign Assistance Act of 1971, S. 2819], 86 Stat. 27, 35, approved February 7, 1972

[NOTE.—Except for the provisions noted below, the Special Foreign Assistance Act of 1971 consists of amendments to the FA Act of 1961.

[AN ACT To provide additional foreign assistance authorizations, and for other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Special Foreign Assistance Act of 1971".

[SEC. 2. There are authorized to be appropriated to the President for the fiscal year 1971 not to exceed—

[(1) $85,000,000 for additional military assistance and $70,000,000 for special economic assistance for Cambodia;

[(2) $100,000,000 for economic and military assistance programs to replace funds which were transferred by the President for use in Cambodia;

[(3) $150,000,000 for additional military assistance for the Republic of Korea;

[(4) $30,000,000 for additional military assistance for Jordan;

[(5) $3,000,000 for additional military assistance for Indonesia and $10,000,000 to replace funds transferred from other programs for use in Indonesia;

[(6) $5,000,000 for additional military assistance for Lebanon;

[(7) $65,000,000 for additional supporting assistance for Vietnam; and

[(8) $17,000,000 for additional general military assistance to compensate for a shortage in anticipated recovery of funds from past years' programs.

[SEC. 3. The President is authorized, until June 30, 1972, to transfer to the Republic of Korea such defense articles located in Korea and belonging to the Armed Forces of the United States on July 1, 1970, as he may determine, except that no funds heretofore or hereafter approppriated under this Act or the Foreign Assistance Act of 1961 shall be available for reimbursement to any agency of the United States Government for any transfer made pursuant to this section.

[SEC. 4. Except as otherwise provided in this Act, any assistance furnished out of funds appropriated under section 2 of this Act and any transfer made under section 3 of this Act shall be furnished or transferred, as the case may be, in accordance with all of the purposes and limitations applicable by statute to that type of assistance or transfer under the Foreign Assistance Act of 1961 (including the provisions of section 652 of such Act, as added by section 8 of this Act).

[* * * * * * *

[SEC. 6. (a) * * *

[(b) Excess foreign currencies held in Pakistan not allocated on the date of enactment of this section are authorized to be appropriated for a period of one year from such date of enactment to help Pakistan withstand the disaster which has occurred.

[SEC. 7. (a) In line with the expressed intention of the President of the United States, none of the funds authorized or approprated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for military, paramilitary, police, or other security or intelligence forces in Cambodia.

[(b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense.

[* * * * * * *]

[Foreign Military Sales Act Amendments, 1971, as amended

[Partial text of Public Law 91-672 [H.R. 15628], 84 Stat. 2053, approved January 12, 1971, as amended by Public Law 92-226 [Foreign Assistance Act of 1971, S. 2819], 86 Stat. 20, 33, approved February 7, 1972; Public Law 93-189 [Foreign Assistance Act of 1973, S. 1443], 87 Stat. 714, 729, approved December 17, 1973; Public Law 93-559 [Foreign Assistance Act of 1974, S. 3394], 88 Stat. 1795, 1799, approved December 31, 1974; Public Law 94-329 [International Security Assistance and Arms Export Control Act of 1976, H.R. 13680], 90 Stat. 729, approved June 30, 1976; Public Law 95-384 [International Security Assistance Act of 1978, S. 3075], 92 Stat. 730 at 747, approved September 26, 1978; and by Public Law 97-113 [International Security and Development Cooperation Act of 1981, S. 1196], 95 Stat. 1579 at 1560, approved December 29, 1981

[AN ACT To amend the Foreign Military Sales Act, and for other purposes.

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled* * * *

[* * * * * * *

[NOTE.—Sections 1-4 of this Act amend the Foreign Military Sales Act (Arms Export Control Act), Public Law 90-629, October 22, 1968.

[* * * * * * *

[SEC. 5. It is the sense of Congress that (1) the President should continue to press forward urgently with his efforts to negotiate with the Soviet Union and other powers a limitation on arms shipments to the Middle East, (2) the President should be supported in his position that arms will be made available and credits provided to Israel and other friendly states, to the extent that the President determines such assistance to be needed in order to meet threats to the security and independence of such states, and (3) if the authorization provided in the Foreign Military Sales Act, as amended, should prove to be insufficient to effectuate this stated policy, the President should promptly submit to the Congress requests for an appropriate supplementary authorization and appropriation.

[SEC. 6. It is the sense of the Congress that—

[(1) the President should immediately institute a thorough and comprehensive review of the military aid programs of the United States, particularly with respect to the military assistance and sales operations of the Department of Defense, and

* * * * * * *

[(2) the President should take such actions as may be appropriate—

[(A) to initiate multilateral discussions among the United States, the Union of Soviet Socialist Republics, Great Britain, France, West Germany, Italy and other countries on the control of the worldwide trade in armaments,

[(B) to commence a general debate in the United Nations with respect to the control of the conventional arms trade, and

[(C) to use the power and prestige of his office to signify the intention of the United States to work actively with all nations to check and control the international sales and distribution of conventional weapons of death and destruction.

[SEC. 7. * * *

[SEC. 8. (a) * * * [Repealed—1976]

[(b) * * * [Repealed—1976]

[(c) * * * [Repealed—1976]

[(d) The President shall promptly and fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each decision to furnish on a grant basis to any country excess defense articles which are major weapons systems to the extent such major weapons system was not included in the presentation material previously submitted to the Congress. The annual presentation materials for security assistance programs shall include a table listing by country the total value of all deliveries of excess defense articles, disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery.

[(e) * * * [Repealed—1976]

[SEC. 9. * * * [Repealed—1973]

[SEC. 10. (a) Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales) shall be available for obligation or expenditure—

[(1) unless the appropriation thereof has been previously authorized by law; or

[(2) in excess of an amount previously prescribed by law.

[(b) To the extent that legislation enacted after the making of an appropriation for foreign assistance (including foreign military sales) authorizes the obligation or expenditure thereof, the limitation contained in subsection (a) shall have no effect.

[(c) The provisions of this section shall not be superseded except by a provision of law enacted after the date of enactment of this section which specifically repeals or modifies the provisions of this section.

[SEC. 11. For purposes of sections 8 and 9—

[(1) "defense article" and "excess defense articles" have the same meanings as given them in section 644 (d) and (g), respectively, of the Foreign Assistance Act of 1961; and

[(2) "foreign country" includes any department, agency, or independent establishment of the foreign country.

[SEC. 12. The joint resolution entitled "Joint resolution to promote the maintenance of international peace and security in Southeast Asia" approved August 10, 1964 (78 Stat. 384; Public Law 88-408), is terminated effective upon the day that the second session of the Ninety-first Congress is last adjourned.

[SEC. 13. No funds authorized or appropriated pursuant to this or any other law may be used to transport chemical munitions from the Island of Okinawa to the United States. Such funds as are necessary for the detoxification or destruction of the above described chemical munitions are hereby authorized and shall be used for the detoxification or destruction of chemical munitions only outside the United States. For purposes of this section, the term "United States" means the several States and the District of Columbia.]

The Arms Export Control Act

CHAPTER 1—FOREIGN AND NATIONAL SECURITY POLICY OBJECTIVES AND RESTRAINTS

SECTION 1. * * *

* * * * * * *

SEC. 3. ELIGIBILITY.—(a) No defense article or defense service shall be sold or leased by the United States Government under this Act to any country or international organization *no defense article or defense service may be licensed or approved under section 38 of this Act,* and no agreement shall be entered into for a cooperative project (as defined in section 27 of this Act), unless—

(c)(1)(A) No credits (including participations in credits) may be issued and no guaranties may be extended for any foreign country under this Act as hereinafter provided, if such country uses defense articles or defense services furnished under this Act, or any predecessor Act, in substantial violation (either in terms of quantities or in terms of the gravity of the consequences regardless of the quantities involved) of any agreement entered into pursuant to any such Act (i) by using such articles or services for a purpose not authorized under section 4 or, if such agreement provides that such articles or services may only be used for purposes more limited than those authorized under section 4 for a purpose not authorized under such agreement; (ii) by transferring such articles or services to, or permitting any use of such articles or services by, anyone not an officer, employee, or agent of the recipient country without [the] *obtaining the prior* consent of the President; or (iii) by failing to maintain the security of such articles or services.

(B) No cash sales or deliveries pursuant to previous sales may be made with respect to any foreign country under this Act as hereinafter provided, if such country uses defense articles or defense services furnished under this Act, or any predecessor Act, in substantial violation (either in terms of quantity or in terms of the gravity of the consequences regardless of the quantities involved) of any agreement entered into pursuant to any such Act *(i)* by using such articles or services for a purpose not authorized under section 4 or, if such agreement provides that such articles or services may only be used for purposes more limited than those authorized under section 4, for a purpose not authorized under such agreement*; (ii) by transferring such articles or services to, or permitting any use of such articles or services by, anyone not an officer, employee, or agent of the recipient country without obtaining the prior consent of the President; or (iii) by failing to maintain the security of such articles or services.*

* * * * * * *

CHAPTER 2—FOREIGN MILITARY SALES AUTHORIZATIONS

Sec. 21. Sales From Stocks.—(a)(1) * * *

* * * * * * *

(e)(1) After September 30, 1976, letters of offer for the sale of defense articles or for the sale of defense services that are issued pursuant to this section or pursuant to section 22 of this Act shall include appropriate charges for—

(A) administrative services, calculated on an average percentage basis to recover the full estimated costs (excluding a pro rata share of fixed base operations costs) of administration of sales made under this Act to all purchasers of such articles and services, *as specified in section 43(b) and section 43(c) of this Act*;

[(B) any use of plant and production equipment in connection with such defense articles;]

[(C)] *(B)* a proportionate amount of any nonrecurring costs of research, development, and production of major defense equipment *(except for equipment wholly paid for either from funds transferred under section 503(a)(3) of the Foreign Assistance Act of 1961 or from funds made available on a nonrepayable basis under section 23 of this Act)*; and

[(D)] *(C)* the recovery of ordinary inventory losses associated with the sale from stock of defense articles that are being stored at the expense of the purchaser of such articles.

* * * * * * *

(2) The President may reduce or waive the charge or charges which would otherwise be considered appropriate under [paragraphs (1)(B) and (1)(C)] *paragraph (1)(B)* for particular sales that would, if made, significantly advance United States Government interests in North Atlantic Treaty Organization standardization, standardization with the Armed Forces of Japan, Australia, or New Zealand in furtherance of the mutual defense treaties between the United States and those countries, or foreign procurement in the United States under coproduction arrangements.

* * * * * * *

(g) The President may enter into North Atlantic Treaty Organization standardization agreements in carrying out section 814 of the Act of October 7, 1975 (Public Law 94-106), and may enter into [similar agreements with Japan, Australia, and New Zealand, and with other countries] *similar agreements with countries* which are major non-NATO allies, for the cooperative furnishing of training on a bilateral or multilateral basis, if the financial principles of such agreements are based on reciprocity. Such agreements shall include reimbursement for all direct costs but may exclude reimbursement for indirect costs, administrative surcharges, and costs of billeting of trainees (except to the extent that members of the United States Armed Forces occupying comparable accommodations are charged for such accommodations by the United States). Each such agreement shall be transmitted promptly to the Speaker of the House of Representatives and the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate. [As used in this subsection, the term 'major non-NATO ALLIES' means those countries designated as major non-NATO allies for purposes of section 1105 of the National Defense Authorization Act of Fiscal Year 1987.]

* * * * * * *

SEC. 23. CREDIT SALES.—(a) * * *

* * * * * * *

[(b) The President shall require repayment in United States dollars within a period not to exceed twelve years[71] after the loan agreement with the country or international organization is signed on behalf of the United States Government, unless a longer period is specifically authorized by statute for that country or international organization.

[(c)(1) The President shall charge interest under this section at such rate as he may determine, except that such rate may not be less than 5 percent per year.

[(2) For purposes of financing provided under this section——

[(A) the term "concessional rate of interest" means any rate of interest which is less than market rates of interest; and

[(B) the term "market rate of interest" means any rate of interest which is equal to or greater than the current average interest rate (as of the last day of the month preceding the financing of the procurement under this section) that the United States Government pays on outstanding marketable obligations of comparable maturity.]

(b) Financing authorized by this Act to be extended under this section shall be provided without any requirement of repayment of principal or interest. Funds appropriated under this heading shall be available only for use in financing the procurement of defense articles, defense services, or design and construction services that are sold by the United States Government under the Arms Export Control Act, except for those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the Fiscal Year 1989 Congressional Presentation for Security Assistance Programs.

[(d)] *(c)* References in any law to credits extended under this section shall be deemed to include reference to participations in credits.

SEC. 25. ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM.—(a) * * *

* * * * * * *

[(9) the progress made under the program of the Republic of Korea to modernize its armed forces, the role of the United States in mutual security efforts in the Republic of Korea and the military balance between the People's Republic of Korea and the Republic of Korea;]

[(10)] *(9)* the amount and nature of Soviet military assistance to the armed forces of Cuba during the preceding fiscal year and the military capabilities of those armed forces;

[(11)] *(10)* the status of each loan and each contract of guaranty or insurance theretofore made under the Foreign Assistance Act of 1961, predecessor Acts, or any Act authorizing international security assistance, with respect to which there remains outstanding any unpaid obligation or potential liability; the status of each extension of credit for the procurement of defense articles or defense services, and of each contract of guaranty in connection with any such procurement, theretofore made under the Arms Export Control Act with respect to which there remains outstanding any unpaid obligation or potentail liability; and

[(12)] *(11)* such other information as the President may deem necessary.

* * * * * * *

CHAPTER 3—MILITARY EXPORT CONTROLS

SEC. 31. AUTHORIZATION AND AGGREGATE CEILING ON FOREIGN MILITARY SALES CREDITS.—(a) [There are authorized to be appropriated to the President to carry out this Act $5,371,000,000 for fiscal year 1986 and $5,371,000,000 for the fiscal year 1987.] *There are authorized to be appropriated to the President to carry out this Act $4,819,318,000 for fiscal year 1990.* Credits may not be extended under section 23 of this Act in an amount, and loans may not be guaranteed under section 24(a) of this Act in a principal amount, which exceeds any maximum amount which may be established with respect to such credits or such loan guarantees in legislation appropriating funds to carry out this Act. Unobligated balances of funds made available pursuant to this section are hereby authorized to be continued available by appropriations legislation to carry out this act.

* * * * * * *

SEC. 36. REPORTS ON COMMERCIAL AND GOVERNMENTAL MILITARY EXPORTS; CONGRESSIONAL ACTION.—(a) The President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate not more than sixty days after the end of each quarter an unclassified report [(except that any material which was transmitted in classified form under subsection (b)(1) or (c)(1) of this section may be contained in a classified addendum to such report, and any letter of offer referred to in paragraph (1) of this subsection may be listed in such addendum unless such letter of offer has been the subject of an unclassified certification pursuant to subsection (b)(1) of this section)] *(except that the material transmitted pursuant to paragraphs (1) and (2) of this subsection may be contained in a classified addendum to such report)* containing—

* * * * * * *

[(5) projections of the dollar amounts, by foreign country and international organization, of sales expected to be made under sections 21 and 22, in the quarter of the fiscal year immediately following the quarter for which such report is submitted;

[(6) a projection with respect to all sales expected to be made to each country and organization for the remainder of the fiscal year in which such report is transmitted;]

* * * * * * *

[(7)] *(5)* an estimate of—

(A) the number of United States military personnel, the number of United States Government civilian personnel, and the United States civilian contract personnel, who were in each foreign country at the end of that quarter, and

(B) the number of members of each such category of personnel who were in each foreign country at any time during that quarter,

in implementation of sales and commercial exports under this Act or of assistance under chapter 2, 5, 6, or 8 of part II of the Foreign Assistance Act of 1961, including both personnel assigned to the country and personnel temporarily in the country by detail or otherwise;

[(8)] *(6)* a description of each payment, contribution, gift, commission, or fee reported to the Secretary of State under section 39, including (A) the name of the person who made such payment, contribution, gift, commission, or fee; (B) the name of any sales agent or other person to whom such payment, contribution, gift, commission, or fee was paid; (C) the date and amount of such payment, contribution, gift, commission, or fee; (D) a description of the sale in connection with which such payment, contribution, gift, commission, or fee was paid; and (E) the identification of any business information considered confidential by the person submitting it which is included in the report; [and]

[(9)] *(7)* a listing of each sale under section 29 during the quarter for which such report is made, specifying (A) the purchaser, (B) the United States Government department or agency responsible for implementing the sale, (C) an estimate of the dollar amount of the sale, and (D) a general description of the real property facilities to be constructed pursuant to such sale[.]*; and*

(8) a listing by country of the estimated amount of funds which will be used for procurement outside the United States as a result of any determination made during the preceding quarter pursuant to section 42(c), together with the reasons for any such determination.

For each letter of offer to sell under paragraphs (1) and (2), the report shall specify (i) the foreign country or international organization to which the defense article or service is offered or was sold, as the case may be; (ii) the dollar amount of the offer to sell or the sale and the number of defense articles offered or sold, as the case may be; (iii) a description of the defense article or service offered or sold, as the case may be; [and] (iv) the United States Armed Forces or other agency of the United States which is making the offer to sell or the sale, as the case may be[.]*; and (v) the comparable kinds and amounts of similar defense articles or services that are available from other countries, and to which countries the United States system has already been offered.*

(b)(1) In the case of any letter of offer to sell any defense articles or services under this Act for $50,000,000 or more, any design and construction services for $200,000,000 or more, or any major defense equipment for $14,000,000 or more, before such letter of offer is issued, the President shall submit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate a numbered certification with respect to such offer to sell containing the [information specified in clauses (i) through (iv)] *information specified in clauses (i) through (v)* of subsection (a), or (in the case of a sale of design and construction services) the information specified in clauses (A) through (D) of paragraph (9) of subsection (a), and a description, containing the information specified in paragraph (8) of subsection (a), of any contribution, gift, commission, or fee paid or offered or agreed to be paid in order to solicit, promote, or otherwise to secure such letter of offer, *and a statement on the extent to which comparable kinds and amounts of similar defense articles or services are available from other countries, and to which countries the United States system has already been offered.* Such numbered certifications shall also contain an item, classified if necessary, identifying the sensitivity of technology contained in the defense articles, defense services, or design and construction services proposed to be sold, and a detailed justification of the reasons necessitating the sale of such articles or services in view of the sensitivity of such technology. In addition, the President shall, upon the request of such committee or the Committee on International Relations of the House of Representatives, transmit promptly to both such committees a statement setting forth, to the extent specified in such request—

[(K) an analysis of the extent to which comparable kinds and amounts of defense articles, defense services, or design and construction services are available from other countries;]

[(L)] *(K)* an analysis of the impact of the proposed sale on United States relations with the countries in the region to which the defense articles, defense services, or design and construction services which are the subject of such sale would be delivered:

[(M)] *(L)* a detailed description of any agreement proposed to be entered into by the United States for the purchase or acquisition by the United States of defense articles, defense services, design and construction services or defense equipment, or other articles, services, or equipment of the foreign country or international organization in connection with, or as consideration for, such letter of offer, including an analysis of the impact of such proposed agreement upon United States business concerns which might otherwise have provided such articles, services, or equipment to the United States, an estimate of the costs to be incurred by the United States in connection with such agreement compared with costs which would otherwise have been incurred, an estimate of the economic impact and unemployment which would result from entering into such proposed agreement, and an analysis of whether such costs and such domestic economic impact justify entering into such proposed agreement;

[(N)] *(M)* the projected delivery dates of the defense articles, defense services, or design and construction services to be offered;

[(O)] *(N)* a detailed description of weapons and levels of munitions that may be required as support for the proposed sale; and

[(P)] *(O)* an analysis of the relationship of the proposed sale to projected procurements of the same item.

(c)(1) In the case of an application by a person (other than with regard to a sale under section 21 or section 22 of this Act) for a license for the export of any major defense equipment sold under a contract in the amount of $14,000,000 or more or of defense articles or defense services sold under a contract in the amount of $50,000,000 or more, before issuing such license the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate an unclassified numbered certification with respect to such application specifying (A) the foreign country or international organization to which such export will be made, (B) the dollar amount of the items to be exported, [and] (C) a description of the items to be exported, *and (D) a statement on the extent to which comparable kinds and amounts of similar defense articles or services are available from other countries; and to which countries the United States system in question has already been offered.* In addition, the President shall, upon the request of such committee or the Commitee on International Relations of the House of Representatives, transmit promptly to both such committees a statement setting forth, to the extent specified in such request a description of the capabilities of the items to be exported, an estimate of the total number of United States personnel expected to be needed in the foreign country concerned in connection with the items to be exported and an analysis of the arms control impact pertinent to such application, prepared in consultation with the Secretary of Defense. A certification transmitted pursuant to this subsection shall be unclassified, except that the information specified in clause (B) and the details of the description specified in clause (C) may be classified if the public disclosure thereof would be clearly detrimental to the security of the United States.

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(B) shall not be issued then if the Congress, within such 30-day period, enacts a joint resolution prohibiting the proposed [export, except that this subparagraph does not apply with respect to a license issued for an export to the North Atlantic Treaty Organization, any member country of that Organization, Japan, Australia, or New Zealand.] *export.*

* * * * * * *

(d)*(1)* In the case of an approval under section 38 of this Act of a United States commercial technical assistance or manufacturing licensing agreement for or in a country not a member of the North Atlantic Treaty Organization which involves the manufacture abroad of any item of significant combat equipment on the United States Munitions List, before such approval is given, the President shall submit a certification with respect to such proposed commercial agreement in a manner similar to the certification required under subsection (c)(1) containing comparable information, except that the last sentence of such subsection shall not apply to certifications submitted pursuant to this subsection.

* * * * * * *

(2) Unless the President states his certification that an emergency exists which requires approval of the agreement in the national security interests of the United States, such approval shall not be given if the Congress, within 30 calendar days after receiving such certification, enacts a joint resolution prohibiting such proposed approval.

(3)(A) Any joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(B) For the purpose of expediting the consideration and enactment of joint resolutions under this subsection, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

SEC. 38. CONTROL OF ARMS EXPORTS AND IMPORTS.—(a)(1) * * *

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[(d) * * * [Repealed—1979]**]**

(d)(1) No contract between a foreign government and a person convicted or debarred for a violation of this section or section 39, or of any rule or regulation issued under either section may be approved for financing under this Act during the twelve-month period beginning on the date of such conviction or debarment.

(2)(A) Any person who is convicted for a violation of this section or section 39, or of any rule or regulation issued under either section, shall (in addition to any other penalty) forfeit to the United States—

(i) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in any defense article or other tangible item that was the subject of the violation;

(ii) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in any defense article or other tangible item that was used in—

(I) the export or attempt to export, or

(II) the contribution, gift, commission, or fee that was paid or offered or agreed to be paid, that was the subject of the violation; and

(iii) any of that person's property constituting, or dervied from, any proceeds obtained directly or indirectly as a result of the violation.

(B) The procedures in any forfeiture under this paragraph and the duties and authorities of the courts of the United States and the Attorney General with respect to any forfeiture action under this paragraph or with respect to any property that may be subject to forfeiture under this paragraph, shall be governed by section 1963 of title 18, United States Code. Any new budget authority provided by this subparagraph may be exercised only to such extend or in such amounts as are provided in advance in appropriation Acts.

* * * * * * *

(C) For purposes of this paragraph, the term "person" has the same meaing as provided in subsection (g)(9)(E).

(f) [The President shall periodically review the items on the United States Munitions List to determine what items, if any, no longer warrent export controls under this section.] *Within six months of enactment of the Act, and at least once every two years thereafter, the President shall review the regulations issued to carry out this section, including the items listed on the United States Munitions List, for the purpose of determining what changes in such regulations are appropriate, including determining what items, if any, no longer warrant export control under this section. Based on each such review, the President shall revise such regulations as necessary and shall publish a revised compilation of such regulations.* The results of such reviews shall be reported to the Speaker of the House of Representives and to the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate. Such a report shall be submitted at least 30 days before any item is removed from the Munitions List and shall describe the nature of any controls to be imposed on that item under the Export Administration Act of 1979.

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SEC. 42. GENERAL PROVISIONS.—(a) * * *

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(e)(1) * * *

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(f)(1) Financing for the procurement of defense articles by leasing (including leasing with an option to purchase) from United States commercial supplies may be provided under this Act to any country that is a member of the North Atlantic Treaty Organization or is a major non-NATO ally for the procurement of defense articles by leasing (including leasing with an option to purchase) from United States commercial suppliers if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under this Act.

(2) Any exercise of the authority of this subsection shall be subject to the regular notification requirements of the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

[(f)] *(g)* The President shall, to the maximum extent possible and consistent with the purposes of this Act, use civilian contract personnel in any foreign country to perform defense services sold under this Act.

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SEC. 43. ADMINISTRATIVE EXPENSES.—(a) * * *

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(b) "Charges for administrative services calculated under section 21(e)(1)(A) of this Act shall include recovery of administrative expenses and official reception and representation expenses incurred by any department or agency of the United States Government, including any mission or group thereof, in carrying out functions under this Act when—

(1) such functions are primarily for the benefit of any foreign country; [and]

(2) such expenses are not directly and fully charged to, and reimbursed from amounts received for, sale of defense services under section 21(a) of this Act[.]*; and*

(3) such expenses are neither salaries of the Armed Forces of the United States nor represent unfunded estimated costs of civilian retirement and other benefits.

* * * * * * *

SEC. 48. PROHIBITION ON SALES INVOLVING DEPLETED URANIUM.—

(a) PROHIBITION.—Except for sales to countries described in subsection (b), the President may not use the authority of this Act to sell to any country any M–833 antitank shells containing a depleted uranium penetrator component.

(b) COUNTRIES NOT SUBJECT TO PROHIBITION.—Subsection (a) does not apply to sales to—

(1) a country which is a member of the North Atlantic Treaty Organization,

(2) a country which is a major non-NATO ally, or

(3) Pakistan.

SEC. 49. DESIGNATION OF MAJOR NON-NATO ALLIES.—

(a) NOTICE TO CONGRESS.—The President shall notify the Congress in writing at least thirty days before—

(1) designating a country as a major non-NATO ally for purposes of this Act and the Foreign Assistance Act of 1961,

(2) terminating such a designation.

(b) INITIAL DESIGNATIONS.—Australia, Egypt, Israel, Japan, the Republic of Korea, and the Philippines shall be deemed to have been so designated by the President as of the effective date of this section, and the President is not required to notify the Congress of such designation of those countries.

CHAPTER 4—GENERAL, ADMINISTRATIVE, AND MISCELLANEOUS PROVISIONS

SEC. 41. EFFECTIVE DATE.—* * *

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SEC. 47. DEFINITIONS.—For purposes of this Act, the term—

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(7) "defense articles and defense services" means, with respect to commercial exports subject to the provisions of section 38 of this Act, those items designated by the President pursuant to subsection (a)(1) of such section; [and]

(8) "design and construction services" means, with respect to sales under section 29 of this Act, the design and construction of real property facilities, including necessary construction equipment and materials, engineering services, construction contract management services relating thereto, and technical advisory assistance in the operation and maintenance of real property facilities provided or performed by any department or

agency of the Department of Defense or by a contractor pursuant to a contract with such department or agency[.]; *and*

(9) "Major non-NATO ally" means a country which is designated in accordance with section 49 as a major non-NATO ally for purposes of this Act and the Foreign Assistance Act of 1961.

CHAPTER 6—LEASES OF DEFENSE ARTICLES AND LOAN AUTHORITY FOR COOPERATIVE RESEARCH AND DEVELOPMENT PURPOSES

SEC. 61. LEASING AUTHORITY.—(a) * * *

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(B) may be exercised only during the [fiscal year 1989] *fiscal year 1990* and only with respect to one country, unless the Congress hereafter provides otherwise.

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SEC. 65. LOAN OF MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—(a) * * *

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(d) For purposes of this section, the term "NATO [or major non-NATO] ally" means a member country of the North Atlantic Treaty Organization (other than the United States) [or a foreign country other than a member nation of NATO designated as a major non-NATO ally under section 1105 of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a)].

Foreign Relations Authorization Act, Fiscal Years 1986 and 1987

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[SEC. 814. UNITED STATES INTERNATIONAL NARCOTICS CONTROL COMMISSION.

[(a) ESTABLISHMENT.—There is established the United States International Narcotics Control Commission (hereafter in this section referred to as the "Commission").

[(b) DUTIES.—The Commission is authorized and directed—

[(1) to monitor and promote international compliance with narcotics control treaties, including eradication and other relevant issues; and

[(2) to monitor and encourage United States Government and private programs seeking to expand international cooperation against drug abuse and narcotics trafficking.

[(c) MEMBERSHIP.—(1) The Commission shall be composed of 12 members as follows:

[(A) 7 Members of the Senate appointed by the President of the Senate, 4 of whom (including the member designated as Chairman) shall be selected from the majority party of the Senate, after consultation with the majority leader, and 3 of whom (including the member designated as Cochairman) shall be selected from the minority party of the Senate, after consultation with the minority leader.

[(B) 5 members of the public to be appointed by the President after consultation with the members of the appropriate congressional committees.

[(2) There shall be a Chairman and a Cochairman of the Commission.

[(d) POWERS.—In carrying out this section, the Commission may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpoenas may be issued over the signature of the Chairman of the Commission or any member designated by him, and may be served by any person designated by the Chairman or such member. The Chairman of the Commission, or any member designated by him, may administer oaths to any witness.

[(e) REPORT BY PRESIDENT TO COMMISSION.—In order to assist the Commission in carrying out its duties, the President shall submit to the Commission a copy of the report required by section 481(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2991(e)).

[(f) REPORT TO SENATE.—The Commission is authorized and directed to report to the Senate with respect to the matters covered by this section on a periodic basis and to provide information to Members of the Senate as requested. For each fiscal year for which an appropriation is made the Commission shall submit to the Congress a report on its expenditures under such appropriation.

[(g) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the Commission $325,000 for each fiscal year, to remain available until expended, to assist in meeting the expenses of the Commission for the purposes of carrying out the provisions of this section.

[(2) For purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C., 1754(b)), the Commission shall be deemed to be a standing committee of the Senate and shall be entitled to the use of funds in accordance with such section.

[(h) STAFF.—The Commission may appoint and fix the pay of such staff personnel as it deems desirable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

[(i) TERMINATION.—The Commission shall cease to exist on September 30, 1988.]

SEC. 814. SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL.

(a) ESTABLISHMENT.—There is established the Senate Caucus on International Narcotics Control (hereafter in this section referred to as the 'Caucus').

(b) DUTIES.—The Caucus is authorized and directed—

(1) to oversee and review United States Government policy with respect to international narcotics control activities, including eradication, in-country and border interdiction, law enforcement, and education and prevention programs; and

(2) to monitor and promote United States Government bilateral, multilateral, and private programs seeking to expand inter-

national cooperation against narcotics trafficking and drug abuse.

(c) Membership.—(1) The Caucus shall be composed of seven Members of the Senate appointed by the President of the Senate, four of whom (including the Member designated as Chairman) shall be selected from the majority party of the Senate, after consultation with the Majority Leader, and three of whom (including the Member designated as Cochairman) shall be selected from the minority party of the Senate, after consultation with the Minority Leader.

(2) There shall be a Chairman and Cochairman of the Caucus.

(d) Powers.—In carrying out this section, the Caucus may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpoenas may be issued over the signature of the Chairman of the Caucus or any member designated by him, and may be served by any person designated by the Chairman or such member. The Chairman of the Caucus, or any member designated by him, may administer oaths to any witness.

(e) Report by President to Caucus.—In order to assist the Caucus in carrying out its duties, the President shall submit to the Caucus a copy of the report required by section 481(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)).

(f) Report to Senate.—The Caucus is authorized and directed to report to the Senate with respect to the matters covered by this section on a periodic basis and to provide information to Members of the Senate as requested. For each fiscal year for which an appropriation is made the Caucus shall submit to the Congress a report on its expenditures under such appropriation.

(g) Authorization of Appropriations.—(1) There are authorized to be appropriated to the Caucus $375,000 for each fiscal year, to remain available until expended.

(2) For purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)), the Caucus shall be deemed to be a standing committee of the Senate and shall be entitled to the use of funds in accordance with such section.

(h) Staff.—(1) The Caucus may appoint and fix the pay of such staff personnel as it deems desirable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates.

(2) The Chairman may procure by contract the temporary or intermittent services of experts or consultants in the same manner as a standing committee of the Senate under Rule 275.9 of the Standing Rules of the Senate.

Foreign Service Act of 1980

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Sec. 806. Computation of Annuities.—*(1)* The annuity of a participant shall be equal to 2 percent of his or her basic salary for the highest 3 consecutive years of service multiplied by the number of years, not exceeding 35, of service credit obtained in accordance with sections 816 and 817, except that the highest 3 years of service shall be used in computing the annuity of any participant who serves an assignment in a position, as described in section 302(b), to which the participant was appointed by the President and whose continuity of service in that position is interrupted prior to retirement by appointment or assignment to any other position determined by the Secretary of State to be of comparable importance. In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, shall not be counted. The annuity shall be reduced by 10 percent of any special contribution described in section 805(d) which is due for service for which no contributions were made and which remains unpaid unless the participant elects to eliminate the service involved for purposes of annuity computation.

(2) Notwithstanding the percentage limitation contained in paragraph (1) of this subsection—

(A) utilizing the definition of average pay contained in section 8331(4) of title 5, United States Code, the annuity of a Foreign Service criminal investigator/inspector of the Office of the Inspector General, Agency for International Development, who was appointed to a law enforcement position, as defined in section 8331(20) of title 5, United States Code, prior to January 1, 1984, and would have been eligible to retire pursuant to section 8336(c) of that title, after attaining 50 years of age and completing 20 years as such a law enforcement officer had the employee remained in the civil service shall be computed in the same manner as that of a law enforcement officer pursuant to section 8339(d) of that title, except as provided in paragraph (3); and

(B) the annuity of a Foreign Service criminal investigator/inspector of such office, who was appointed to a law enforcement position as defined in section 8401(17) of that title on or after January 1, 1984, and who would have been eligible to retire pursuant to section 8412(d) of that title, after attaining 50 years of age and completing 20 years of service as such a law enforcement officer, had the employee remained in the civil service, shall be computed in the same manner as that of a law enforcement officer pursuant to section 8415(d) of that title.

(3) The annuity of a Foreign Service investigator/inspector appointed to a law enforcement position prior to January 1, 1984, who exercised election rights under section 860 of the Foreign Service Act of 1980, shall be computed as follows: for the period prior to election the annuity shall be computed in accordance with section 8339(d) of title 5, United States Code; for the period following election the annuity shall be computed in accordance with section 8415(d) of that title.

(4) All service in a law enforcement position, as defined in section 8331(20) or 8401(17) of that title, as applicable, in any agency or combination of agencies shall be included in the computation of time for purposes of this paragraph.

(5) The annuity of a Foreign Service criminal investigation/inspector of the Office of the Inspector General of the Agency for International Development who has not completed 20 years of service as

a law enforcement officer, as defined in section 8331(20) or 8401(17) of that title, shall be computed in accordance with paragraph (1).

(6) For purposes of paragraphs (2), (3) and (4) of this subsection, the term "basic pay" includes pay as provided in accordance with section 412 of this act or section 5545(a)(2) of title 5, United States Code.

SEC. 812. MANDATORY RETIREMENT.—(a)*(1)* Except as provided in subsection (b), any participant shall be retired from the Service at the end of the month in which the participant has reached age 65 and has at least 5 years of service credit toward retirement under the System (excluding military and naval service), and shall receive retirement benefits in accordance with section 806.

(2) Notwithstanding paragraph (1) of this subsection, a foreign service criminal investigator/inspector of the Office of Inspector General, Agency for International Development, who would have been eligible for retirement pursuant to either 5 U.S.C. 8336(c) or U.S.C. § 8412(d), as applicable, had the employee remained in the civil service, shall be separated from the service on the last day of the month in which that foreign service criminal investigator/inspector becomes 55 years of age or completes 20 years of service if then over that age. If the head of the agency judges that the public interest so requires, that agency head may exempt such an employee from automatic separation under this subsection until that employee becomes 60 years of age. The employing office shall notify the employee in writing of the date of separation at least 60 days before that date action to separate the employee is not effective without the consent of the employee, until the last day of the month in which the 60-day notice expires.

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Agricultural Trade Development and Assistance Act of 1954

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SEC. 106. (a)(1) * * *

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(b)(1) * * *

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(2) Greatest emphasis shall be placed on the use of such proceeds to carry out programs of agricultural development, rural development, nutrition, and population planning, and to carry out the program described in section 406(a)(1) of this Act, in those countries which are undertaking self-help measures to increase agricultural production, improve storage, transportation, and distribution of commodities, and reduce population growth in accordance with section 109 of this Act, and which programs are directed at and likely to achieve the policy objectives of sections 103 and 104 *(or, in the case of sub-Saharan Africa, programs directed at comparable objectives contained in section 120)* of the Foreign Assistance Act of 1961 and are consistent with the policy objectives of this Act, pursuant

to agreements between the United States and foreign governments under which uses of such proceeds shall be made for such purposes.

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SEC. 301. (a) * * *

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(b) The overall goal of assistance under this title shall be to increase the access of the poor in the recipient country to a growing and improving food supply through activities designed to improve the production, protection, and utilization of food, and to increase the well-being of the poor in the rural section of the recipient country. Assistance under this title shall be used for programs of agricultural development, rural development, nutrition, health services (including immunization of children) and population planning, and the program described in section 406(a)(1) of this Act, in those countries which are undertaking (or are seriously prepared to undertake in connection with the provision of agricultural commodities under this Act) self-help measures to increase agricultural production, improve storage, transportation, and distribution of commodities, and reduce population growth in accordance with section 109 of this Act, when such programs are directed at and likely to achieve the policy objectives of sections 103 and 104 *(or, in the case of sub-Saharan Africa, programs directed at comparable objectives contained in section 120)* of the Foreign Assistance Act of 1961 and are consistent with the policy objectives of this Act. Particular emphasis should be placed on activities which effectively assist small farmers, tenants, sharecroppers, and landless agricultural laborers, by expanding their access to the rural economy through services and institutions at the local level, and otherwise providing opportunities for the poor who are dependent upon agriculture and agriculturally related activities to better their lives through their own efforts.

SEC. 303. (a) * * *

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(b) The multiyear utilization proposal for a Food for Development Program shall include, but not be limited to, a statement of how assistance under such Program will be integrated into and complement that country's overall development plans and other forms of bilateral and multilateral development assistance, including assistance made available under section 103 of the Foreign Assistance Act of 1961 *(or, in the case of sub-Saharan Africa, programs directed at comparable objectives contained in section 120)" after "section 103 of the Foreign Assistance Act of 1961* or under any other title of this Act.

Inter-American Development Bank Act, as amended

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[SEC. 32. The United States Governor of the Inter-American Development Bank is hereby authorized to agree to and to accept the amendments to the Articles of Agreement in the proposed resolution entitled "Merger of Inter-regional and Ordinary Capital Resources".**]**

SEC. 32. (a)(1) The United States Governor of the Bank is authorized to vote for resolutions—

(A) Which were transmitted by the Board of Executive Directors to the Governors by resolution of April 19, 1989;

(B) Which are pending before the Board of Governors of the Bank; and

(C) Which provide for—

(i) an increase in the authorized capital stock of the Bank and subscriptions thereto; and

(ii) an increase in the resources of the Fund for Special Operations and contributions thereto.

(2)(A) Upon adoption of the resolutions specified in paragraph (1), the United States Governor of the Bank is authorized on behalf of the United States to—

(i) subscribe to 760,112 shares of the increase in the authorized capital stock of the bank; and

(ii) contribute $82,304,000 to the Fund for Speical Operations.

(B) Any commitment to make such subscriptions to paid-in and callable capital stock and to make such contributions to the Fund for Special Operations shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

(b) In order to pay for the increase in the United States subscription and contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury—

(1) $9,169,559,712 for the United States subscriptions to the capital stock of the Bank; and

(2) $82,304,000 for the United States share of the increase in the resources of the Fund for Special Operations.

The African Development Foundation Act

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MANAGEMENT

SEC. 507. (a)(1) The management of the Foundation shall be vested in a board of directors (hereafter in this title referred to as the "Board") composed of seven members appointed by the President, by and with the advice and consent of the Senate. The President shall designate one member of the Board to serve as Chairperson of the Board and one member to serve as Vice Chairperson of the Board. Five members of the Board shall be appointed from private life. Two members of the Board shall be appointed from among officers and employees of agencies of the United States concerned with African affairs. All members of the Board shall be appointed on the basis of their understanding of and sensitivity to community level development processes. *Members of the Board shall be appointed so that no more than four members of the Board are members of any one political party. Appointments shall be made within six months of the expiration of each Board term.*

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AUTHORIZATIONS OF APPROPRIATIONS

SEC. 510. There are authorized to be appropriated to carry out this title, in addition to amounts otherwise available for that purpose, [$3,872,000 for fiscal year 1986 and $3,872,000 for fiscal year 1987] *$9,000,000 for fiscal year 1990.* Funds appropriated under this section are authorized to remain available until expended.

[SEC. 511. The authority of the Foundation to make grants, loans, and loan guarantees and otherwise to carry out the purposes of this title shall expire on September 30, 1990, except that this section shall not preclude the Foundation from acquiring obligations prior to that date which mature subsequent to that date or from assuming liability prior to that date as a guarantor of obligations which mature subsequent to that date or from continuing as a body corporate and exercising any of its powers subsequent to that date for purposes of the orderly liquidation of its activities.]

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Bretton Woods Agreements Act, as amended

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SEC. 53. * * *

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SEC. 54. (a)(1) The United States Governor of the International Monetary Fund is authorized to contribute on behalf of the United States $150,000,000 to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the Fund.

(2) Any commitment to make the contribution authorized by subsection (a) shal only be effective in such amounts as are provided in advance in appropriation Acts.

(b) In order to pay for the United States contribution to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the Fund provided in this section, there are authorized to be appropriated, without fiscal year limitation, $150,000,000 for payment by the Secretary of the Treasury.

The Peace Corps Act, as amended

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SEC. 3. (a) * * *

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(b) [There are authorized to be appropriated to carry out the purposes of this Act $130,000,000 for the fiscal year 1986 and $137,200,000 for the fiscal year 1987.] *There are authorized to be appropriated to carry out the purposes of this Act $157,000,000 for fiscal year 1989 and $172,800,000 for fiscal year 1990.* Unobligated balances of funds made available hereunder are hereby authorized to be continued available for the general purposes for which appropriated and may at any time be consolidated with appropriations hereunder. None of the funds authorized to carry out the purposes of this Act shall be used to carry out the Volunteers to America Program conducted under the Mutual Educational and Cultural

Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), or any similar program involving the service or training of foreign national in the United States.

SEC. 7. (a)(1) * * *

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(B) no individual whose Foreign Service appointment or assignment under this paragraph has been terminated shall be reappointed or reassigned under this paragraph before the expiration of a period of time equal to the proceeding tour of duty of that individual *or thirty months, whichever is shorter.*

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SEC. 16. [Repealed by Public Law 89–572 (75 Stat. 622, 22 U.S.C. 2515).]

FOREIGN CURRENCY FLUCTUATIONS ACCOUNT

SEC. 16. (a)(1) There is established in the Treasury of the United States an account to be known as the "Foreign Currency Fluctuations, Peace Corps, Account". The account shall be used only for the purpose of providing funds to pay expenses for operations of the Peace Corps outside the United States which, as a result of the fluctuations in currency exchange rates, exceed the amount appropriated for such expenses.

(2) Funds in the account may be transferred, upon the certification of the Director of the Peace Corps (or the Director's designee) that the transfer is necessary for the purpose specified in paragraph (1), to the account containing funds appropriated for the expenses of the Peace Corps.

(b) Funds transferred under subsection (a) shall be merged with and be available for the same time period as the appropriation to which they are applied. Notwithstanding any provision of law limiting the amount of funds the Peace Corps may obligate in any fiscal year, such amount shall be increased to the extent necessary to reflect fluctuations in exchange rates from those used in preparing the budget submission.

(c) An obligation of the Peace Corps payable in the currency of a foreign country may be recorded as an obligation based upon exchange rates used in preparing a budget submission. A change reflecting fluctuations in exchange rates may be recorded as a disbursement is made.

(d) Funds transferred from the Foreign Currency Fluctuations, Peace Corps, Account may be transferred back to that account—

(1) if the funds are not needed to pay obligations incurred because of fluctuations in currency exchange rates of foreign countries in the appropriation to which the funds were originally transferred; or

(2) because of subsequent favorable fluctuations in the rates or because other funds are, or become, available to pay such obligations.

(e) A transfer back to the account under subsection (d) may not be made after the end of the 2-fiscal year period immediately succeeding the fiscal year in which the appropriation to which the funds were originally transferred is available for obligation.

(f) Not later than the end of the 2-fiscal year period immediately succeeding the fiscal year for which appropriations for the expenses of the Peace Corps have been made available to the Peace Corps, unobligated balances of such appropriation provided for a fiscal year may be transferred into the Foreign Currency Fluctuations, Peace Corps, Account, to be merged with and available for the same period and purposes as that account.

(g) There are authorized to be appropriated to the Foreign Currency Fluctuations, Peace Corps, Account for a fiscal year such sums as may be necessary to maintain a balance of $5,000,000 in such account at the beginning of such fiscal year.

(h) The Director of the Peace Corps shall submit to the appropriate committees of the Congress each year a report on funds transferred under this section.

UNITED STATES CODE ANNOTATED

Title 5

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§ 5551. Lump-sum payment for accumulated and accrued leave on separation

(a) An employee as defined by section 2105 of this title or an individual employed by the government of the District of Columbia, who is separated from the service or elects to receive a lump-sum payment for leave under section 5552 of this title, is entitled to receive a lump-sum payment for accumulated and current accrued annual or vacation leave to which he is entitled by statute. The lump-sum payment shall equal the pay the employee or individual would have received had he remained in the service until expiration of the period of the annual or vacation leave, *except that a post differential, if applicable, shall not be calculated into the lump-sum payment that an employee separating overseas is entitled to receive.* The lump-sum payment is considered pay for taxation purposes only. The period of leave used for calculating the lump-sum payment shall not be extended due to any holiday occurring after separation.

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Title 22

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§ 701. Definitions

As used in this chapter, unless the context clearly requires a different meaning—

(a) * * *

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(c) "United States" means the United States, its Territories, its insular possessions, the Canal Zone, and any other place subject to the jurisdiction of the United States.

(d) "service personnel" means (i) personnel belonging to the land, sea, air or other uniformed services, (ii) civilians employed by a Ministry of Defense, or its equivalent, of a foreign government, accompanying persons described in subparagraph (i), and (iii) spouses or children of either of the above, or other immediate family members who are legally or financially dependent on persons described in subparagraphs (i) or (ii).

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§ 705. Imprisonment

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Sec. 706. The President may, pursuant to agreement designated under Section 707 equivalent to the rights granted by that state to the United States.

[§ 706.] *§ 707.* Operative effect dependent upon Presidential finding

This chapter shall be operative with respect to the military, naval, or air forces of any foreign state only after a finding and declaration by the President that the powers and privileges provided herein are necessary for the maintenance of discipline, *or that such designation is necessary in order to secure legal protection for personnel of the United States Department of Defense abroad.* The President may at any time revoke such finding and declaration.

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